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Key Developments

Shakhray Tops PRES List of Candidates

LD2409194795 Moscow INTERFAX in English
1753 GMT 24 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 24 (INTERFAX) — The congress of the Party of Russian Unity and Concord (PRES) in Moscow approved the list of the party's candidates to the parliament (12 people) by secret voting.

An INTERFAX correspondent reports that the congress decided that Russian Deputy Prime Minister Sergey Shakhray, Director General of the Russian Research Institute of Curative Plants under the Russian Agricultural Academy Valeriy Bykov and a director of the Siberian Agreement inter-regional association, Vladimir Ivankov will top the list of its candidates.

The PRES list of candidates to the State Duma also includes Chairman of the State Duma Committee on Local Self-Rule Issues Anatoliy Sliva, Chairman of the International Industrial Bank's Board of Directors Sergey Bugachev and Russian Deputy Minister for Nationalities and Regional Policy Aleksandr Kotenkov.

PRES Congress Supports Law on Local Self-Government

LD2309154495 Moscow ITAR-TASS in English
1537 GMT 23 Sep 95

[By Lyudmila Aleksandrova]

[FBIS Transcribed Text] MOSCOW, September 23 (ITAR-TASS) — A congress of the Party of Russian Unity and Accord (PRES) adopted on Saturday a resolution on local self-government.

The delegates welcomed the enactment of the law "On the Basic Principles of Local Self-Government" and stressed that it would be "inadmissible" for the government "not to fulfil its obligation to create a legal basis for local self-government within the period of time established by the law."

The resolution also protests against attempts by any bodies of power or public associations to politicise the activity of bodies of local self-government and use them for achieving their goals during the election campaign, "including illegal actions aimed at establishing regional and all-Russia associations of local authorities from among the appointed heads of local administrations."

The delegates also held a closed-door session to discuss the lists of candidates to the State Duma. The federal list is led by party leader Sergey Shakhray, Corresponding Member of the Russian Academy of Sciences Valery Bykov, Director of the Research and Development Centre of Biological Structures, Vladimir Ivankov, a member of the Executive Council of the Inter-Regional Association Siberian Accord, and Anatoliy Sliva, Chairman of the Duma Committee for Local Self-Government.

Communists Urge Unity of 'All Patriotic Forces'

LD2109163195 Moscow INTERFAX in English
1515 GMT 21 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 21 (INTERFAX) — The Central Committee of the Communist Party of the Russian Federation adopted an address to the citizens of Russia on the 2nd anniversary of President Boris Yeltsin's decree that resulted in a constitutional reform.

The decree dissolved the then Supreme Soviet and called State Duma elections.

The communists argue that in the two years Russia has virtually lost its sovereignty and is doing what the West tells it to do.

They called for unity of "all patriotic forces" in the State Duma elections next December and presidential elections next June.

"All those who have been hurt by the regime, all its opponents must rid themselves of mutual suspicions and give priority to Russia's interests over group interests," the address says.

Commission Chairman Ryabov Appeals to Electorate

LD2109174195 Moscow INTERFAX in English
1456 GMT 21 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 21 (INTERFAX) — No less than 40% of Russia's electorate will take part in the December 17 parliamentary elections, Central Electoral Commission Chairman Nikolay Ryabov told INTERFAX Thursday.

Ryabov told a news conference earlier Thursday afternoon that "the more Russians attend the elections to the State Duma, the more impartial they will be."

Ryabov appealed to the people to show responsibility, a well-balanced approach and constructiveness as they exercise their right to support this or that election bloc or association. "The electors should support someone special rather than give out their signatures left and right," he added.

Ryabov said "bribing electors in monetary or any other form while canvassing signatures is unacceptable." Election blocs and associations are responsible for their canvassing campaigns, he added.

According to Ryabov, the signature lists will be thoroughly analyzed. A special group, including officials of the Central Electoral Commission, Interior Ministry passport control service, Defense Ministry experts and graphologists, had been created for this purpose.

The Central Electoral Commission will next meet in session Friday to continue registering election associations and blocs and handing over certified election lists.

Agrarian Party's Election Platform Published

MM2209122995 Moscow SOVETSKAYA ROSSIYA in Russian 16 Sep 95 p 6

[Election platform of the Agrarian Party of Russia, adopted by the Fourth (Extraordinary) Agrarian Party of Russia Congress in Moscow on 8 September: "Fatherland, People's Power, Justice, Prosperity"]

[FBIS Translated Text] **The Agrarian Party of Russia [APR], the Agrarian Union of Russia, and the Russian Federation Agro-Industrial Complex Workers Trade Union,** aiming for the revival of our motherland's might and well-being and the restoration of Russians' pride, honor, dignity, and prosperity, have created the APR Autonomous All-Russia Electoral Association.

Our association has been joined by all workers in the agro-industrial complex, agrarian science, and agricultural education establishments.

Our association has been joined by the Consumer Cooperative, the Council of Kolkhozes and Other Forms of Economic Management, the Council of Veterans of War, Labor, the Armed Forces, and the Law Enforcement Organs, the All-Russia Society of the Blind, representatives of regional private farmer associations (AKKOR), the "Officers of the Reserve" private farmers' association, the Cossack community, forestry workers, land reclamation workers, road construction industry workers, fishermen, and the Russian trade unions of:

— motor vehicle and agricultural machine building workers;
— health care workers;
— timber industry workers;
— consumer cooperative and entrepreneurial workers;
— fishing industry workers;
— communications workers;
— chemical industry workers.

The association is actively supported by the rural and urban intelligentsia — teachers, physicians, scientific workers, writers, and actors — and by all who are worry about Russia's future and who wish real changes for the better for all Russians rather than for just a handful of chosen people.

Joining the election campaign struggle, the APR Electoral Association declares:

Russia is on the brink of an abyss. Let us pool our forces for the Fatherland's salvation before it is too late!

The reforms being implemented are in essence against the people and against the peasantry. They are ruinous for the country.

Russia needs a new political and economic line. On gaining victory at the forthcoming elections, we will create in the State Duma a faction which will be capable of exerting real influence on the introduction of necessary amendments to the Constitution, the adoption of appropriate laws, and the situation in the country.

We are profoundly convinced that we can and must resolve our own problems by ourselves in order to extricate the country from the crisis and restore Russia's former glory.

The Russians are not short of skills and industriousness.

Our slogan is:

FATHERLAND, PEOPLE'S POWER, JUSTICE, PROSPERITY!

Why Are the Peasants "Chasing Power?"

For 10 years now sundry political forces have been shaking the country under the slogans of "Perestroyka!", "Reforms!", "Return to Civilization!". Changes as such were indeed necessary, but instead of reforming the existing social system, they embarked on its forcible demolition. Following October 1993, these processes became overtly destructive and were progressing in an atmosphere of anti-Soviet and anticommunist hysteria, name-calling, and denigration of our entire history.

They promised more socialism, but are driving us toward savage capitalism.

They promised to give more power to the soviets, but disbanded them.

They promised to strengthen the Soviet Union, but destroyed it against the peoples' will.

They promised an uncompromising struggle against privileges, but assured for themselves benefits which could not have been even imagined in the "stagnation era."

The reforms have ended up in profound and comprehensive crisis, spiritual degradation, and large-scale bloodshed. That which is being stubbornly described as reforms has become a national tragedy for the people. Now it is obvious to everyone that the democratic slogans were nothing but a smoke screen, under cover of which power was seized by the destroyers of the fatherland. Rapaciously plundering the national wealth, they have concentrated vast material and financial resources in their hands.

They have attained their goals by relying on support from certain political and financial circles in the West, by means of defrauding the bulk of Russians, ruining the country's production and economic potential, and pilfering the all-people's property.

Agriculture was dealt a particularly destructive blow.

The antipeasantry economic policy has resulted in a mass collapse of agricultural production. The results of the Russian peasant's labor are unwanted.

The volume of agricultural production has been halved compared with 1990. The area sown to agricultural crops has been reduced by 15 million hectares. Livestock numbers have been reduced by 14 million cattle, 13 million hogs, and 22 million sheep and goats. Soil fertility is being exhausted; the application of organic fertilizers has been halved, and that of mineral fertilizers has been reduced 10-fold. Deliveries of tractors, combine harvesters, and other agricultural machines to the countryside have been reduced by a factor of between seven and 10.

The Russian peasant — the country's food provider — has been reduced to poverty.

Rural inhabitants' incomes have been reduced virtually 10-fold. They wait for months for their wages, which are two or three times lower than in other production sectors. Children's institutions, schools, hospitals, stores, and consumer services outlets are closing down everywhere in the countryside. The majority of rural inhabitants lack the basic facilities to shop for salt, sugar, matches, and tea.

Another consequence of the "reforms" is the sharp curtailment of the production of agricultural output and the worsening food supplies for Russians.

The shortfall of proteins and vitamins in the Russian's nutritional ration is 40 and 60 percent respectively. The per capita consumption of meat has declined by more than 28 percent, that of milk and vegetable oils by more than one-third, and that of eggs by 16 percent.

The radical "reformers" are hoarse with shouting about the full store shelves. This "abundance," which is beyond the reach of most Russians, has been artificially created through rising food imports from abroad. Last year meat imports increased ninefold, butter imports fourfold, and potato imports by a factor of 2.5.

The timber complex enterprises have been reduced to a total devastation of their production and social spheres. The fish canning industry is on the brink of collapse, the fishing fleet has been ruined, and the production and deliveries of fish products have been sharply reduced.

The conclusion is unequivocal: The radical reformers have led Russia to a state of food dependency — the harshest and most humiliating variety of a state's enslavement, when no independent policy at all is possible. The state, totally dependent on food handouts from abroad, is defenseless against any sanctions or any political, territorial, or other claims, and is incapable of defending its own interests.

The rural consumer cooperatives, which have met the most immediate needs of the countryside's inhabitants for decades, have been destroyed. Stores are closing down, produce is not being bought from rural farms. Residents of isolated hamlets and villages are on the brink of extinction.

The situation is being aggravated by the deteriorating ecological conditions. Many territories have become ecological disaster zones.

One-half of Russia's inhabitants are consuming water which fails to meet hygiene standards. Atmospheric pollution in 84 major cities is more than 10-fold the highest permitted concentration.

The deteriorating living conditions and the adverse ecology have resulted in a sharp increase of morbidity among the population. At the same time, our country's health care system has been reduced to a state where it can no longer provide Russians with universally accessible, prompt, and effective medical and sanitation services. Pitiful wages for medical personnel, declining material and technical base, and absence of medicines and medical equipment have become universal phenomena.

The global crisis in the countryside provoked by the ruling regime's policy, the breakdown of the health care system, and the ecological adversity have undermined the nation's health.

Life expectancy in Russia has been reduced to 66 years (against 75 years in the United States and Britain, 76 years in Canada, 78 years in Sweden, and 79 years in Japan). The people are dying off at a rate which is without precedent in peacetime. For these reasons, Russia's population is being reduced by 1 million each year.

Aware of their historic responsibility for supplying Russians with food and for preserving the nation's health and the spiritual and moral values and best traditions of the peoples inhabiting our motherland,

Russia's peasants are joining the struggle for power as a politically organized force.

The Russian peasantry today is the only major social group which did not succumb to the universal hysteria of destruction in the last few years and retained its feelings of commonsense and healthy conservatism.

The Russians' historical memory keeps alive the family tree which shows that we all stem from the countryside, and therefore we are entitled to expect active support for the peasants' movement from urban residents.

RUSSIA'S PEASANTS ARE SEEKING POWER SO THAT, IN A BLOC WITH THEIR POLITICAL ALLIES, THEY CAN TAKE ON RESPONSIBILITY BEFORE THE PEOPLE AND THE LAW FOR RUSSIA'S FUTURE AND FOR A REAL IMPROVEMENT OF EACH AND EVERY RUSSIAN'S LIFE.

What Do We Offer the Voters?

STRENGTHENING OF RUSSIAN STATEHOOD, RESTORATION OF THE AUTHORITY OF POWER

The APR Electoral Association sets as its main task the establishment of genuine people's power at all levels of administration through the development of real local self-government and the universal election of administration heads and representative organs exercising the functions of legislative activity and monitoring the executive authorities.

— We will consistently apply the full arsenal of political means to develop the institutions of a **civic society** and support the diverse social and autonomous organizations of citizens — trade unions, veteran councils, consumer societies, and youth and women's organizations. We will strive to enhance the prestige of **the judiciary.**

— We will form a government of people's trust, we will halt the arbitrary rule by corrupt functionaries, and we will abolish structures duplicating one another's functions.

— We will decisively uphold the territorial integrity of unified Russia as a strong federal state in which each people and each citizen is reliably protected by the law against arbitrary rule and evil, with each of its components enjoying identical status. We believe that any actions by the authorities, statesmen, or individual politicians aimed at handing Russian territory over to other states are impermissible. The specific historic features and multinational nature of our state oblige us to carefully preserve the principle of federalism.

— We will introduce a constitutional ban on the use of the Army for resolving any social and interethnic conflicts.

— We will focus nationalities policy mainly on reviving the spirituality and originality of the Russian people who are the backbone — over four-fifths — of the country's population, and on ensuring the free development of each people on the basis of the centuries-old traditions of friendly cohabitation by people of different nationalities, races, and religions and of mutual respect.

— We will create guarantees for expanding the rights of Federation components via legislative demarcation of the rights and functions of the federal government and the Federation components and by ensuring the independence of their budgets.

— We will ensure that all branches of state power rigidly uphold Russia's interests, consolidate its positions, and enhance its prestige as a great power. We will utilize all opportunities to ensure that Russian citizens in any corner of our motherland and abroad are reliably protected by civilized means and the full might of the state.

— We will comprehensively enhance the role of the peasantry in state and public life and we will aim to restore the prestige of peasants' labor, and will rely in our struggle to establish genuine people's power on the peasantry's alliance with the working class, the intelligentsia, and all progressive forces in society.

— We will curb within the briefest possible timeframe corruption, crime, and raging gangsterism, and we will strengthen the law enforcement and judicial organs and their technical and material backup services. We will put an end to the unbridled propaganda of pornography, cruelty, and violence on television, in the press, and in the cinema, and will introduce liability for false and misleading advertising.

— We will pool the efforts of all interested persons and organizations in the struggle against drug addiction, substance abuse, and alcoholism, especially among young people, will strengthen the appropriate services and the material and technical base of treatment and prevention institutions, and will ensure that this work is fully financed from the federal budget.

— We will cleanse the law enforcement organs of staffers who discredit them, will institute a legally binding regular accountability of these organs to the organs of representative power and the population, and will tighten the criminal liability of staffers for association with criminal elements. We will implement a reform of detention centers, ensuring that habitual criminals and other law-breakers are kept in separate places at all stages of their detention, depending on the gravity of the crime they have committed.

— We will re-create a strong army and will revive its prestige and the people's trust in it. We will implement a reform of the Armed Forces, aimed at improving the system of command and control, ensuring the fullest possible manpower acquisition, modernizing its arms in line with the latest achievements of science and technology, and firmly uprooting hazing and other negative phenomena. In parallel with the strengthening of the principle of one-man command, we will promote the development of organs of officers' self-management [ofitserskoye samoupravleniye] and will ensure collaboration on a permanent basis with social formations (veterans councils, committees of soldiers' mothers, and others). We will achieve radical improvement as regards material supplies and social protection for servicemen. All servicemen discharged into the reserve will be given an opportunity to acquire on preferential terms land parcels for private farming, subsidiary farming, or truck gardening, receive on preferential terms loans to acquire construction materials, machinery, equipment, and so on.

WE WILL COMPREHENSIVELY SUPPORT BY POLITICAL MEANS THE DESIRE OF FORMER UNION REPUBLICS TO RESTORE A SINGLE UNION STATE IN LINE WITH THE DEMOCRATICALLY EXPRESSED WILL OF THEIR PEOPLES. ONE OF OUR FIRST STEPS WHEN WE COME TO POWER WILL BE TO ABROGATE THE CRIMINAL "BELOVEZHSKAYA FOREST AGREEMENTS."

A fundamental change in the country's economic situation today is the main condition for safeguarding and developing the state and improving life for the Russians.

The main criterion of the economy's efficiency for us is the Russians' living standards today, not in some distant future.

We will shape a socially oriented mixed market economy on the principles of strengthening the state-regulated public sector of production, corporations, and financial-production groups, developing private enterprise, and offering state support for the cooperative movement. We will rely on the scientific and technical progress to boost the growth of industrial and agricultural production.

OUR AIM IS TO CREATE FOR EVERY PERSON REAL CONDITIONS FOR DIGNIFIED, FREE, AND CREATIVE LABOR AND TO COUPLE THE GREAT FORCE OF MAN'S INDIVIDUAL INITIATIVE AND ENTERPRISE WITH THE MIGHT OF STATE SUPPORT.

In order to pursue this policy, we intend to:

— introduce during the transition period state regulation of the prices of and charges for energy sources, transportation, housing, children's food, and bread;

— encourage the development of businesslike activeness on the basis of planned state investment policy and elaboration of long-term (three-five year) state forecasts (estimates) of the development of the most important national economic sectors and the social sphere, giving priority to the development of high technologies and the country's own science and agro-industrial complex;

— review the legitimacy of the already implemented privatization, expose and rectify any abuses that have occurred, and return to working people the property stolen from them. At the same time, these measures will not affect those who have acquired property legitimately and are making efficient use of it for the production of output and goods for the people. We advocate observance of commitments that have been made, stability in property relations, and priority of labor collectives in the process of destatization and privatization of property;

— change taxation policy along the avenue of supporting our own commodity producers, cooperative movement, and private enterprises geared to the production of goods and services. For this purpose we will ensure a sharp reduction of tax rates, adoption of tax concessions for investment in the development of production and in regions of the Far North and the mountain regions, and restrictions on the ceiling and number of local taxes;

— change foreign economic practice with a view to blocking the channels for the outflow of capital from Russia, putting an end to the plunder of national wealth, and thus substantially supplementing the state budget;

— review the procedure for reciprocal payments between commodity producers and institute rigid monitoring of the prompt remittance of funds and the speed with which they reach payees, which will make it possible to eliminate the causes of reciprocal nonpayments;

— ensure the national currency's stability and encourage active economic attraction of capital, including capital from abroad, into production;

— introduce state monopoly on the production of liqueurs and vodka products;

— ensure guaranteed safety of citizens' deposits with the Savings Bank of the Russian Federation and their full indexation.

WE WILL REPAY TO PEOPLE THEIR STOLEN SAVINGS AND WILL INSTITUTE LEGAL PROCEEDINGS AGAINST WHEELER-DEALERS FROM SUNDRY FINANCE COMPANIES.

OUR ELECTORAL ASSOCIATION'S ECONOMIC POLICY WILL FOCUS ON REFORMING AGRO-INDUSTRIAL PRODUCTION. THE STABILIZATION AND SUBSEQUENT DYNAMIC DEVELOPMENT OF THE AGRO-INDUSTRIAL COMPLEX WILL BECOME THE DECISIVE FACTOR FOR REVIVING OUR COUNTRY'S ECONOMY AND FOR BOOSTING MANY OF THE NATIONAL ECONOMY'S SECTORS.

— We will restore the real parity of prices for agricultural and industrial output. We will ensure the highly effective and targeted utilization of all forms of budgetary policy to encourage production.

— We will establish stable state quotas for the purchase of agricultural output at guaranteed prices.

— We will create equal economic conditions for agricultural commodity producers operating under all forms of economic management and situated anywhere in Russia's diverse natural and climatic zones. We will comprehensively support the development of large agro-industrial and agricultural enterprises, collective farms, private farms, personal subsidiary farms, and individual truck gardening and stockbreeding.

— We will ensure the implementation of real cooperation between agricultural commodity producers at all levels, which will ultimately make it possible to sharply enhance the efficiency of their labor, cut production costs, and reduce the prices of agricultural produce.

EACH PEASANT MUST HAVE THE RIGHT TO AUTONOMOUSLY CHOOSE THE TYPE OF ACTIVITY AND METHOD OF ECONOMIC MANAGEMENT!

— We will ensure guaranteed funding for programs aimed at the modernization of production and the purchase of new technologies and equipment, the enhancement of soil fertility, and the development of seed production and pedigree breeding work. We will give special attention to the development of agricultural science and the social sphere in the countryside. Our objective is to provide countryside residents with social and daily life conditions equal to those enjoyed by urban residents.

— We will ensure the appropriation of at least 12-15 percent of federal budget expenditures and a considerable proportion of regional budget expenditures for the development of the agro-industrial complex.

— We will eliminate the artificially created barriers in economic relations between workers in the food and processing sectors and the peasants, will restore production relations on the basis of unity of goals and consideration of interests, and will elaborate a system for collaboration along the technological chain of field — processing — store.

— We will retain the existing potential of the Central Union of Consumer Cooperative Societies and of regional consumer societies owned and controlled by rural share-owners.

HAVING IMPLEMENTED THESE MEASURES, WE WILL BE ABLE TO RESOLVE WITHIN THE BRIEFEST OF TIMEFRAMES ONE OF THE MOST ACUTE PROBLEMS — TO SUPPLY RUSSIANS WITH HIGH-QUALITY FOODSTUFFS AT AFFORDABLE PRICES.

Land Is an Asset Belonging to the Whole People!

The APR Electoral Association firmly upholds the peasants' mandates as regards the land.

We will adopt a law which will enable each and every citizen of Russia to acquire ownership of a land parcel for truck gardening and stockbreeding or for building a home, a dacha, or a garage, while rural residents will also have a subsidiary farm plot. All citizens will be able to sell, gift, bequeath, mortgage, or lease their land parcels at their own discretion.

Furthermore, we say:

NO to private ownership of land for agricultural purposes.

THE LAND must belong to all peasants, to all who work on it, and it must be leased or transferred in lifelong heritable possession.

THE BUYING AND SELLING of agricultural lands must be banned by law.

AGRICULTURAL LANDS cannot be used for mortgage purposes. We advocate strict rules to regulate land relations.

WE WILL NOT PERMIT the sale of land to foreigners.

Not only the land, but also the minerals it contains, the forests, and the water and other natural resources are an asset of the people.

The APR Electoral Association will aim to ban the transfer into private ownership of forests, mineral and other natural resources, natural water reservoirs, recreation zones, and the lands of cities, villages, and population centers.

WE COUNT ON SUPPORT FROM THE WHOLE OF SOCIETY FOR OUR EFFORTS TO SAFEGUARD AND AUGMENT SOIL FERTILITY — THE PEOPLE'S INVALUABLE WEALTH.

Man Is the Supreme Goal of Social Policy

The APR Electoral Association, utilizing the political methods and potential of legislative activity, will persistently strive to create in the country a situation whereby each person will be able to work honestly, feel a sense of pride in his nationality and the place where he lives, bring up his children, and love his country.

We will ensure for all peoples in Russia peace and tranquillity and a normal life, we will deliver people from the forced pursuit of a mouthful of bread, from the state of vegetation and poverty. Relying on the centuries-old experience of the development of civilization, and being convinced that all wealth and all valuables have been created by man's labor, we deem free labor to be the main source of prosperity for everyone, a measure of his role in society.

OUR PRINCIPLE IS: WHOEVER WORKS BETTER AND MORE PRODUCTIVELY WILL LIVE BETTER AND MORE PROSPEROUSLY!

In the event of victory in the elections, we will halt the process of the fabulous, more often than not criminal, enrichment of a narrow stratum of society at the cost of ravaging the majority of the people.

In the pursuit of these objectives:

— we will borrow all the best elements from our own past experience and the practice of other states in the social policy sphere, giving each and every one an opportunity to acquire his own home and receive free education and skilled medical service, we will show concern for children, the disabled, and pensioners;

— we will legislatively ensure priority state support for health care;

— we will ensure annual ratification by the State Duma of an official subsistence minimum (broken down by region) and an accountability report by the government on the population's socioeconomic situation. We will aim to establish in the nearest possible future a minimum wage, as well as minimum pensions and allowances, at least equal to the subsistence minimum;

— we will ensure the protection of childhood, motherhood, and the family, support for the needy, and reparations for the damage to the health of participants in the Chernobyl accident and other ecological disasters by adopting the relevant legislative acts and launching the mechanism for their implementation with the organization of broad public monitoring and glasnost;

— we will ensure the adoption of a state program of support for young people and the creation of conditions for full realization of their knowledge, creative potential, and abilities;

— we will legislatively guarantee each citizen's right to rest and restore his health at employers' expense, including paid annual leave and sanatorium-resort treatment if necessary. We will reinstate the sanatorium-resort system and the system of children's health camps;

— we will create political and financial conditions to develop the system of free education and to enhance the public prestige of teachers' labor. We will introduce in practice funding from federal and local budgets and from the funds of commercial structures and employers for the organization of trips by school children and students around the country to visit museums of history and culture and art galleries.

NO TO THE PRIVATIZATION OF EDUCATION!

— we will ensure an enhancement of the role and prestige of trade unions. We will reinstate in the Constitution the trade unions' right to initiate legislation and will expand their real influence on the organization and management of social security and labor safety. As regards socially important issues, we will introduce a decisionmaking mechanism envisaging mandatory advance coordination of drafts with trade unions;

— through joint efforts by the state and the trade unions, we will protect working people from delays in wage payments and any arbitrary administrative rule by employers;

— we will ensure adequate financing of cultural institutions from federal budget funds and will organize permanent state assistance for folklore. We will aim to revive the centuries-old folk tradition, the extremely rich original culture of Russia's peoples, and their historical and cultural experience;

— we will most resolutely put an end to any actions to impose the West's so-called "mass culture, alien way of life, the cult of parasitism and individualism, depravity, violence, and commercialization of spiritual activity;

— having restored the historic link between ages and generations and the people's moral and spiritual health, we will give Russians an opportunity to feel that they are citizens of a great country. We will ensure support for and restoration of the traditional way of life for ethnic minorities, nationalities, and ethnic groups. We will actively promote the revival of the Cossacks as bearers of remarkable traditions of moral purity and patriotism;

— we will adopt a respectful attitude toward religion and believers and will assist in the restoration of places of worship and the return of illegally confiscated property to the church.

The most important condition for the implementation of our election campaign platform consists of joint actions by all progressive forces whose appraisal of the country's present situation and ways out of the crisis coincides with ours. The APR Electoral Association is prepared to collaborate with them. By uniting, we will be able to achieve the affirmation of genuine people's power.

WE WELCOME ALL WHO SUPPORT THE IDEA OF RUSSIA'S REVIVAL.

Enough of living according to theories from abroad! Enough of running the economy according to IMF prescriptions!

It is time to take our own path. It is time to awaken our own mighty forces and utilize our own experience, traditions, and achievements!

WE ADVOCATE A MIGHTY, INDEPENDENT, AND PROSPEROUS RUSSIA! DEPUTIES FROM OUR ASSOCIATION WILL LABOR INDEFATIGABLY FOR THE SAKE OF SUCH A COUNTRY!

Candidate Lists for Elections Published (Part IV)

954F3523A Moscow ROSSIYSKAYA GAZETA in Russian 9 Sep 95 p 5

[Federal lists of candidates for deputy of the State Duma nominated by the Christian-Democratic Union-Christians of Russia electoral coalition]

[FBIS Translated Text] Copy of the list verified by the Central Electoral Commission of the Russian Federation on 1 September 1995 (Decree No. 11/82-II)

Appendix to the Protocol of the Congress of the Christian-Democratic Union-Christians of Russia Electoral Coalition, 26 August 1995

Federal List of Candidates for Deputy of the State Duma of the Federal Assembly of the Russian Federation Running on the Electoral Slate in the Federal Election District, Nominated by the Christian-Democratic Union-Christians of Russia Electoral Coalition

1. **Savitskiy Vitaliy Viktorovich,** b. 18 July 1955, deputy of the State Duma of the Federal Assembly of the Russian Federation [RF], deputy chairman of the Committee of Public Associations and Religious Organizations Affairs, chairman of the Christian-Democratic Union-Christians of Russia; resides in Sosnovyy Bor, Leningrad Oblast.

2. **Ivanova Tatyana Borisovna,** b. 25 January 1946, president of the Women's Alliance [Zhenskiy Alyans] Association—a spiritual public organization; resides in Moscow.

3. **Kiselev Aleksandr Nikolayevich,** b. 19 May 1950, first secretary of the Christian-Democratic Union-Christians of Russia; resides in St. Petersburg.

Candidates From Regions and Groups of Regions

Republic of Buryatia

1. **Zhigmytov Bayar Tumurovich,** b. 23 August 1953, chairman of the Buddha Christian Union; resides in Ulan-Ude.

2. **Kuznetsov Vladimir Alekseyevich,** b. 26 September 1957, director, AMUT manufacturing company; resides in Ulan-Ude.

3. **Sanzhiyev Dashi-Do[illegible]at Sergeyevich,** b. 27 June 1950, director, OShON design company; resides in Ulan-Ude.

4. **Andreyev Aleksandr Albertovich,** b. 6 March 1967, employee of the Nayan-Navaa charitable foundation; resides in Ulan-Ude.

Udmurt Republic

1. **Beloglazov Mikhail Ivanovich,** b. 1 March 1968, pastor, Light of the Urals church; resides in Izhevsk.

Bryansk Oblast

1. **Bufalov Nikolay Ivanovich,** b. 30 June 1950, director, AO [joint-stock company] BREKER; resides in Bryansk.

2. **Aseyeva Nina Arsenyevna,** b. 23 October 1936, legal department chief, Bryansk Oblast administration; resides in Bryansk.

3. **Osipenko Liliya Viktorovna,** b. 18 January 1959, chief of the Bryansk Oblast branch, Russian Foundation for Support of Literature and Arts Workers; resides in Bryansk.

Vologda Oblast

1. **Zhukov Kirill Leonidovich,** b. 2 November 1969, teacher, Cherepovets school No. 12; resides in Cherepovets, Vologda Oblast.

2. **Yesenchuk Valentin Vasilyevich,** b. 6 June 1954, teacher, Cherepovets school No. 18; resides in Cherepovets, Vologda Oblast.

3. **Klokov Igor Igorevich,** b. 4 September 1970, student, Cherepovets Pedagogical Institute; resides in Cherepovets, Vologda Oblast.

Vladimir Oblast

1. Akhmedzyanov Sergey Maksutovich, b. 28 August 1957, assistant pastor, LOZA Christian church; resides in Vladimir.

2. Kornilova Natalya Nikolayevna, b. 3 May 1968, teacher, Balakirevo school; resides in Balakirevo village, Vladimir Oblast.

Volgograd Oblast

1. Chernov Gennadiy Gennadiyevich, b. 11 April 1964, editor, Volgograd oblast television; resides in Volgograd.

2. Grushevskiy Dmitriy Valeryevich, b. 11 January 1970, commentator, DELOVOYE POVOLZHYE newspaper; resides in Volgograd.

Irkutsk Oblast

1. Khoroshikh Gennadiy Konstantinovich, b. 11 January 1942, cochairman of the Irkutsk Christian-Democratic Union; resides in Irkutsk.

2. Iofin Yevgeniy Grigoryevich, b. 8 August 1937, cochairman of the Irkutsk Christian-Democratic Union; resides in Irkutsk.

3. Vodnev Aleksandr Nikolayevich, b. 27 May 1957, chairman, Irkutsk Oblast Invalids Society; resides in Irkutsk.

4. Kamyshev Vitaliy Innokentyevich, b. 1 June 1957, aide to a deputy of the State Duma of the RF Federal Assembly; resides in Irkutsk.

5. Alekseyev Aleksandr Stepanovich, b. 12 August 1947, professor, Angarsk Institute of Technology; resides in Angarsk, Irkutsk Oblast.

6. Ivanov Viktor Aleksandrovich, b. 14 August 1936, chairman, Kirovskiy Rayon Invalids Society, Irkutsk; resides in Irkutsk.

7. Khromykh Anatoliy Aleksandrovich, b. 8 November 1947, aide to a RF Federation Council deputy; resides in Irkutsk.

8. Popov Viktor Vasilyevich, b. 27 May 1955, deputy director, Baykal-Lena State Natural Preserve; resides in Irkutsk.

9. Ludanov Pavel Pavlovich, b. 23 August 1956, chairman, Oktyabrskiy Rayon Invalids Society, Irkutsk; resides in Irkutsk.

10. Oshchenkova Tamara Borisovna, b. 13 September 1943, senior research associate, Siberian Power Engineering Institute; resides in Irkutsk.

Ivanovo Oblast

1. Savina Nina Konstantinovna, b. 27 January 1957, director, Imeni Ye.M. Yaroslavskiy Club; resides in Yaroslavl.

Kostroma Oblast

1. Chemyakhin Yevgeniy Vyacheslavovich, b. 26 August 1969, director of finance, AOOT [publicly held joint-stock company] Aven-Yezer; resides in Yaroslavl.

Krasnodar Kray

1. Petrunko Anatoliy Vladimirovich, b. 21 August 1972, aide to a deputy of the State Duma of the RF Federal Assembly; resides in Sochi, Krasnodar Kray.

2. Babkin Viktor Dmitriyevich, b. 28 December 1963, director, Uspensk Legal Services; resides in Armavir, Krasnodar Kray.

3. Shelest Sergey Vasilyevich, b. 23 June 1962, entrepreneur; resides in Dagomys, Krasnodar Kray.

Lipetsk Oblast

1. Kiselev Aleksandr Ivanovich, b. 4 July 1955, director, Extract company; resides in Yelets, Lipetsk Oblast.

2. Trubitsyn Mikhail Vasilyevich, b. 11 October 1957, chairman, Yelets City Committee of the Writers Trade Union; resides in Yelets, Lipetsk Oblast.

3. Shekhova Lyudmila Nikolayevna, b. 14 February 1957, conductor, Yelets Passenger Transportation Directorate; resides in Yelets, Lipetsk Oblast.

Moscow Oblast

1. Vlasova Alla Khristoforovna, b. 24 June 1934, director, Sodruzhestvo charitable foundation; resides in Moscow.

2. Ryakhovskiy Vladimir Vasilyevich, b. 5 May 1957, president, Christian Legal Center; resides in Shchelkovo, Moscow Oblast.

3. Dergachev Andrey Vladimirovich, b. 15 July 1948, deputy general director, state enterprises Moscow Cable Television; resides in Moscow.

4. Sobko Sergey Vasilyevich, b. 12 June 1949, chairman of the board of directors, AO Texas; resides in Moscow.

5. Bogomolov Aleksandr Khristoforovich, b. 27 April 1948, associate professor, Moscow State University; resides in Moscow.

6. Zverev Aleksandr Ivanovich, b. 3 November 1961, general director, AO Tender; resides in Moscow.

7. **Kozlov Viktor Pavlovich,** b. 25 December 1955, director, TOO [limited liability partnership] Start-M; resides in Moscow.

Orel Oblast

1. **Romash Aleksandr Vladimirovich,** b. 13 February 1957, chairman, Orel Oblast Christian-Democratic Union; resides in Orel.

2. **Tilman Vladimir Germanovich,** b. 12 May 1963, general director, TOO Rosgidromash; resides in Orel.

Pskov Oblast

1. **Pudovkin Mikhail Anatolyevich,** b. 12 May 1970, metalworker, TOO Lukigazstroy; resides in Velikiye Luki, Pskov Oblast.

2. **Vikhrov Vladimir Alekseyevich,** b. 7 April 1953, advertising agent, ETER scientific-production association; resides in Velikiye Luki, Pskov Oblast.

Rostov Oblast

1. **Mun Mikhail Yensanovich,** b. 5 January 1949, deputy director, Don State Public Library; resides in Rostov-na-Donu.

Smolensk Oblast

1. **Pekarev Vladimir Nikolayevich,** b. 6 December 1953, chief of the department for the organization of food and nonfood sales of the Smolensk Oblast administration; resides in Smolensk.

2. **Popkov Ivan Ivanovich,** b. 10 April 1956; administrator, Smolensk branch of the Russian Bible Society; resides in Smolensk.

3. **Papkov Nikolay Petrovich,** b. 22 May 1959, deputy administrator, Smolensk branch of the Russian Bible Society; resides in Smolensk.

Tver Oblast

1. **Khlebnikov Igor Yuriyevich,** b. 2 December 1933, instructor, Yaroslavl State Medical Academy; resides in Yaroslavl.

Tula Oblast

1. **Ryabov Igor Yevgenyevich,** b. 6 June 1933, chairman, Tula Christian-Democratic Union; resides in Tula.

2. **Kalugin Volodar Aleksandrovich,** b. 20 February 1954, consultant on legal issues to Tula Oblast administration; resides in Tula.

3. **Vasilyeva Yelena Vitalyevna,** b. 7 April 1962, senior research associate, Museum of Local Lore, History, and Economy; resides in Tula.

Chelyabinsk Oblast

1. **Timoshenko Yelena Borisovna,** b. 1 January 1959, director, Invalids Education Center; resides in Chelyabinsk.

2. **Smirnov Oleg Leonidovich,** b. 2 July 1931, chairman, Liliya interregional invalids society; resides in Chelyabinsk.

Yaroslavl Oblast

1. **Lazarev Aleksandr Nikolayevich,** b. 31 May 1951, chairman, Yaroslavl branch of the Christian-Democratic Union-Christians of Russia; resides in Yaroslavl.

2. **Mitrofanov Nikolay Nikolayevich,** b. 26 December 1959, chief administrator, New Generation Christian center; resides in Yaroslavl.

3. **Petrovskaya Olga Viktorovna,** b. 30 October 1961; director, Plearco Ltd. company; resides in Yaroslavl.

4. **Zharov Vadim Vladimirovich,** b. 16 March 1970, regional pastor; New Generation Christian center; resides in Yaroslavl.

5. **Afanasyeva Natalya Nikolayevna,** b. 27 January 1949, deputy director, Imeni Volkova State Academic Theater; resides in Yaroslavl.

6. **Rysina Irina Nikitichna,** b. 13 October 1953; department chief, New Generation Christian center; resides in Yaroslavl.

7. **Kocheshkov Andrey Nikolayevich,** b. 26 April 1962, manager, TOO Aven-Yezer; resides in Yaroslavl.

8. **Lazareva Larisa Fedorovna,** b. 10 February 1958, director, sole proprietorship LATA; resides in Yaroslavl.

City of Moscow

1. **Semchenko Aleksandr Trofimovich,** b. 17 November 1948, general director, Teplotekhnika production association; resides in Moscow.

2. **Pchelintsev Anatoliy Vasilyevich,** b. 17 August 1955, director, Religion and Law Institute; resides in Moscow.

3. **Zots Vladimir Afanasyevich,** b. 12 April 1939, consultant, RF Federation Council; resides in Moscow.

4. **Mishina Valentina Vasilyevna,** b. 16 March 1939, director, John the Merciful charitable society; resides in Moscow.

5. **Rott Viktor Aleksandrovich,** b. 11 October 1939, editor in chief, KHRISTIANIN magazine; resides in Moscow.

6. Belyavskiy Aleksandr Grigoryevich, b. 3 April 1944, executive director, Dobrodetel [Benefactor] nonstate pension fund; resides in Moscow.

7. Tyuin Sergey Viktorovich, b. 31 December 1960, vice president, Christian Legal Center; resides in Moscow.

8. Kostyukov Oleg Sergeyevich, b. 15 February 1941, director, Russian branch of the German Aid Foundation; resides in Moscow.

9. Kobyakov Anatoliy Borisovich, b. 9 June 1940, director, Science Center for Social Problems of Labor; resides in Moscow.

10. Polyakov Yevgeniy Aleksandrovich, b. 20 May 1952, aide to a deputy of the State Duma of the RF Federal Assembly; resides in Moscow.

11. Davydov Boris Olegovich, b. 22 June 1962; unemployed; resides in Moscow.

"Far East" Group of Regions

(Maritime Kray, Khabarovsk Kray, Kamchatka Oblast, Magadan Oblast, Sakhalin Oblast)

1. Kilbaukh Aleksandr Reingoldovich, b. 6 August 1954, consultant to Magadan Oblast Duma; resides in Magadan.

2. Balash Nikolay Nikolayevich, b. 12 October 1956, chairman, Magadan Oblast branch of the Russian Fund for Disabled Afghanistan War Veterans; resides in Magadan.

3. Butikov Boris Konstantinovich, b. 17 October 1952, head of Klepka village administration, Magadan Oblast; resides in Klepka village, Magadan Oblast.

"West Siberia" Group of Regions

(Tyumen Oblast, Khanty-Mansi Autonomous Okrug, Yamal-Nenets Autonomous Okrug)

1. Geveyler Vitaliy Georgiyevich, b. 19 February 1952, director, TOO Tekhpromstroy; resides in Novyy Urengoy, Tyumen Oblast.

"Northwest" Group of Regions

(Republic of Karelia, Arkhangelsk Oblast, Murmansk Oblast, Leningrad Oblast, St. Petersburg, Novgorod Oblast)

1. Potapov Igor Dmitriyevich, b. 16 June 1953, chairman of the political council of the St. Petersburg Christian-Democratic Union; resides in St. Petersburg.

2. Trubnikov Georgiy Ivanovich, b. 11 January 1940, secretary, St. Petersburg Christian-Democratic Union; resides in St. Petersburg.

3. Chayka Lyudmila Vladimirovna, b. 8 April 1949, chairman of the Leningrad Oblast organization of the Christian-Democratic Union-Christians of Russia; resides in Vsevolozhsk, Leningrad Oblast.

4. Skornyakov Sergey Georgiyevich, b. 3 February 1951, aide to a deputy of the State Duma of the RF Federal Assembly; resides in St. Petersburg.

5. Shishkin Viktor Ivanovich, b. 17 July 1944, department chairman, St. Petersburg State University; resides in St. Petersburg.

6. Kozlyatnikov Aleksey Vitalyevich, b. 2 December 1956, cochairman of the Leningrad Oblast organization of the Christian-Democratic Union-Christians of Russia; resides in St. Petersburg.

7. Morozova Yelena Leonidovna, b. 11 December 1960, director, sole proprietorship Aktiv; resides in St. Petersburg.

8. Pivovarov Viktor Nikolayevich, b. 3 September 1955, director, joint-venture AO Projecting-Trade Ltd.; resides in St. Petersburg.

9. Mironov Yevgeniy Mikhaylovich, b. 21 October 1951, aide to a deputy of the State Duma of the RF Federal Assembly; resides in St. Petersburg.

10. Lezhnina Nadezhda Vitalyevna, b. 29 November 1957, deputy director, TOO Soglasiye; resides in St. Petersburg.

11. Trubina Olga Andreyevna, b. 3 January 1951, orphanage director; resides in St. Petersburg.

12. Gustavson Aleksandr Leontinovich, b. 21 April 1934, film director, Lenfilm studio; resides in St. Petersburg.

"North Urals" Group of Regions

(Komi Republic, Kirov Oblast, Perm Oblast, Sverdlovsk Oblast, Komi-Permyak Autonomous Okrug)

1. Epin Aleksandr Germanovich, b. 9 March 1965, general director, sole proprietorship Askod; resides in St. Petersburg.

"Central Russia" Group of Regions

(Voronezh Oblast, Penza Oblast, Ryazan Oblast, Tambov Oblast)

1. Oznobishchev Sergey Konstantinovich, b. 7 August 1951, director, Center for International Security Problems of the United States and Canada Institute; resides in Moscow.

"South Siberia" Group of Regions

(Kemerovo Oblast, Novosibirsk Oblast, Altay Kray, Republic of Khakassia)

1. **Kleyberg Yuriy Aleksandrovich,** b. 11 January 1953, professor, political science department of the Kemerovo State University; resides in Kemerovo.

[Signed] Congress Chairman V.V. Savitskiy

Secretary V.I. Kamyshev.

Copy of the list verified by the Central Electoral Commission of the Russian Federation on 1 September 1995 (Decree No. 11/82-II)

Appendix to the Protocol of the Congress of the Christian-Democratic Union-Christians of Russia Electoral Coalition, 26 August 1995

List of Candidates for Deputy of the State Duma of the Federal Assembly of the Russian Federation Running on the Electoral Slate in Single-Seat Districts, Nominated by the Christian-Democratic Union-Christians of Russia Electoral Coalition

Armavirskiy Electoral District No. 38

Babkin Viktor Dmitriyevich, b. 28 December 1963, director, Uspenskiy Legal Services of the Krasnodar Kray Bar; resides in Armavir, Krasnodar Kray.

Tuapsinskiy Electoral District No. 44

Shelest Sergey Vasilyevich, b. 23 June 1962, entrepreneur; resides in Dagomys, Krasnodar Kray.

Vologodskiy Electoral District No. 72

Zhukov Kirill Leonidovich, b. 2 November 1969, teacher, Cherepovets School No. 12; resides in Cherepovets, Vologda Oblast.

Cherepovetskiy Electoral District No. 73

Yasenchuk Valentin Vasilyevich, b. 6 June 1954, teacher, Cherepovets School No. 18; resides in Cherepovets, Vologda Oblast.

Levoberezhnyy Electoral District No. 75

Bulgakov Aleksandr Grigoryevich, b. 10 July 1948, teacher, Voronezh School of Music No. 7; resides in Voronezh.

Kemerovskiy Electoral District No. 88

Kleyberg Yuriy Aleksandrovich, b. 11 January 1953, professor, political science department, Kemerovo State University; resides in Kemerovo.

Kurskiy Electoral District No. 96

Lunin Aleksandr Vasilyevich, b. 8 October 1954, Christian literature distributor, Belgorod Eparchy; resides in Korocha, Belgorod Oblast.

Vsevolozhskiy Electoral District No. 99

Chayka Lyudmila Vladimirovna, b. 8 April 1949, chairman of the Leningrad Oblast organization of the Christian-Democratic Union-Christians of Russia; resides in Vsevolozhsk, Leningrad Oblast.

Kingiseppskiy Electoral District No. 100

Epin Aleksandr Germanovich, b. 9 March 1965, general director, sole proprietorship Askod; resides in St. Petersburg.

Istrinskiy Electoral District No. 105

Kozlov Viktor Pavlovich, b. 25 December 1955, director, TOO Start-M; resides in Moscow.

Lyuberetskiy Electoral District No. 107

Zverev Aleksandr Ivanovich, b. 3 November 1961, general director, AO Tender; resides in Moscow.

Mytishchinskiy Electoral District No. 108

Bogomolov Aleksandr Khristoforovich, b. 27 April 1948, associate professor, Moscow State University; resides in Moscow.

Noginskiy Electoral District No. 109

Ryakhovskiy Vladimir Vasilyevich, b. 5 May 1957, president, Christian Legal Center; resides in Shchelkovo, Moscow Oblast.

Orekhovo-Zuyevskiy Electoral District No. 111

Sobko Sergey Vasilyevich, b. 12 June 1949, chairman of the board of directors, AO Texas; resides in Moscow.

Pushkinskiy Electoral District No. 113

Vlasova Alla Khristoforovna, b. 24 June 1934, director, Sodruzhestvo charitable foundation; resides in Moscow.

Serpukhovskiy Electoral District No. 114

Dergachev Andrey Vladimirovich, b. 15 July 1948, deputy general director, state enterprises Moscow Cable Television; resides in Moscow.

Pskovskiy Electoral District No. 141

Vikhrov Vladimir Alekseyevich, b. 7 April 1953, advertising agent, ETER scientific-production association; resides in Velikiye Luki, Pskov Oblast.

Vyazemskiy Electoral District No. 168

Popkov Ivan Ivanovich, b. 10 April 1956; administrator, Smolensk branch of the Russian Bible Society; resides in Smolensk.

Smolenskiy Electoral District No. 169

Pekarev Vladimir Nikolayevich, b. 6 December 1953, deputy chairman of the trade and consumer services committee of the Smolensk Oblast administration; resides in Smolensk.

Tverskoy Electoral District No. 173

Khlebnikov Igor Yuriyevich, b. 2 December 1933, instructor, Yaroslavl State Medical Academy; resides in Yaroslavl.

Kirovskiy Electoral District No. 189

Mitrofanov Nikolay Nikolayevich, b. 26 December 1959, chief administrator, New Generation Christian center; resides in Yaroslavl.

Rybinskiy Electoral District No. 190

Lazarev Aleksandr Nikolayevich, b. 31 May 1951, chairman, Yaroslavl branch of the Christian-Democratic Union-Christians of Russia; resides in Yaroslavl.

Avtozavodskiy Electoral District No. 191

Davydov Boris Olegovich, b. 22 June 1962; unemployed; resides in Moscow.

Leningradskiy Electoral District No. 194

Kostyukov Oleg Sergeyevich, b. 15 February 1941, director, Russian branch of the German Aid Foundation; resides in Moscow.

Orekhovo-Borisovskiy Electoral District No. 197

Belyavskiy Aleksandr Grigoryevich, b. 3 April 1944, executive director, Dobrodetel [Benefactor] nonstate pension fund; resides in Moscow.

Preobrazhenskiy Electoral District No. 199

Pchelintsev Anatoliy Vasilyevich, b. 17 August 1955, director, Religion and Law Institute; resides in Moscow.

Tushinskiy Electoral District No. 200

Mishina Valentina Vasilyevna, b. 16 March 1939, director, John the Merciful charitable society; resides in Moscow.

Universitetskiy Electoral District No. 201

Kobyakov Anatoliy Borisovich, b. 9 June 1940, director, Science Center for Social Problems of Labor; resides in Moscow.

Sheremetyevskiy Electoral District No. 205

Semchenko Aleksandr Trofimovich, b. 17 November 1948, general director, Teplotekhnika production association; resides in Moscow.

Zapadnyy Electoral District No. 208

1. Savitskiy Vitaliy Viktorovich, b. 18 July 1955, deputy of the State Duma of the RF Federal Assembly, deputy chairman of the Committee of Public Associations and Religious Organizations Affairs, and chairman of the Christian-Democratic Union-Christians of Russia; resides in Sosnovyy Bor, Leningrad Oblast.

Yamalo-Nenetskiy Electoral District No. 225

Motriyeva Galina Nikolayevna, b. 16 June 1947, assistant pastor for public liaison of the New Light church; resides in Novyy Urengoy, Tyumen Oblast.

[Signed] Congress Chairman V.V. Savitskiy

Secretary V.I. Kamyshev

Election Guidelines

Officials View Yeltsin Edict on Regional Elections

LD2309105095 Moscow ITAR-TASS in English 1039 GMT 23 Sep 95

[FBIS Transcribed Text] Moscow September 23 (ITAR-TASS) — A decree by Russian President Boris Yeltsin mandating elections of regional governors in end-1996 met with controversial acceptance by some regional administrators.

The decree moves the elections from December 17, the date of Russian State Duma elections.

Nizhniy Novgorod regional governor Boris Nimtsov, who was once named by Yeltsin as a hopeful in Russia' future presidential elections, in an interview with ITAR-TASS was critical about the decree, saying that he opposed the putting off of the gubernatorial elections for late 1996.

"This simply means that there won't be any elections... This is not a decree on rescheduling of the elections, it is a decree on a ban on the elections," Nimtsov said.

As for local self-rule elections, also mandated by the decree, Nimtsov said this clause has "a recommending character".

Should the city Duma and the legislative assembly of Nizhniy Novgorod decide to hold the election of city mayor, no one can prevent them from doing so, Nimtsov said.

Tula regional Duma chairman Viktor Derevyanko said in an interview with ITAR-TASS that the presidential decree would remove the controversy between regional legislative and executive branches of power over the term of deputies in regional Dumas of 1993 convocation.

Derevyanko said the decree-set terms of legislators of Russia's component state conformed with the Russian constitution and federal law.

The deputy chairman of the Belgorod regional Duma, Oleg Polukhin, told ITAR-TASS that he though the region's population deserved a say in setting the time for elections.

The key issue is the law base for the elections, Polukhin said.

He said the Belgorod regional Duma had passed a law on the elections of the regional administration.

The Duma will insist on holding regional elections on December 17, Polukhin said.

Commission Questions Communists' Lists of Signatures

LD2509115795 Moscow INTERFAX in English 1139 GMT 25 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 25 (Interfax) — There is no forgery in lists of signatures in support of the Russian Communist Party submitted to the Central Electoral Commission, Commission member Anastasiya Tur told correspondents Monday.

At the same time, 13,000 out of the 230,000 signatures were declared invalid on technical reasons (signatures put by the same hand, the lack of date or address of the signatory), she said.

Under the election law, an electoral bloc, a party and a movement are to submit no less than 200,000 signatures in their support to the Central Electoral Commission. Signatures are to be collected in no less than 15 constituent members of the Russian Federation. No more than 7% of signatures can be collected in the same region.

Communists submitted their lists to the Commission on September 20. Under the election law, an official resolution on results of the lists' verification shall be made within ten days, after which a decision on registration of the Communist Party shall be taken. Since that time the party will receive the right to electioneering.

Forecasts & Commentary

Shakhray: Elections Promise President-Parliament Crisis

MM2509094895 Moscow IZVESTIYA in Russian 23 Sep 95 p 2

[Report by Vasiliy Kononenko: "S. Shakhray: Chaos Looms for Russia"]

[FBIS Translated Text] In a conversation with your IZVESTIYA correspondent on the eve of the opening of the PRES [Party of Russian Unity and Accord] Congress party leader S. Shakhray set out the main points of his report concerning the development of the political situation in Russia after the parliamentary elections.

The theater of the absurd that the State Duma election campaign is turning into before our very eyes is now ceasing to be a joke, S. Shakhray declared. It is fraught with very dangerous trends which, unless they are spotted and promptly "spread out in time," may plunge Russia into socioeconomic chaos.

The setbacks in building large centrist blocs have already led to the activation of political radicalism, to the unification and strengthening of the Communist-Agrarians, to fragmentation of the political spectrum, and to the formation of a united front against the "party of power." Therefore the main aims of the centrist strategy — stabilization of the political situation, predictability in the results of the elections, a responsible State Duma, and a responsible government — are in jeopardy.

Aggrieved at being ignored by both "parties of power," State Duma deputies may make a number of political demarches even before the elections.

In particular, the State Duma's refusal to adopt the 1996 budget (take for instance M. Zadornov's statement) is now almost a foregone conclusion. A further expression of no confidence in the Russian Government is also almost a foregone conclusion. The composition of a new Communist-Agrarian-patriotic State Duma would enable it to raise and resolve questions of making amendments to the constitution: of redistributing power (under the slogan of strengthening parliamentary controls) via the adoption of a number of constitutional laws.

At the same time the further activation of initiatives to convene a Constitutional Assembly in order to fully revise the Russian Constitution is very probable.

The new State Duma deputies will begin to keep their promises to their voters by adopting what they know to be populist laws. Clearly, the president of Russia will be forced to make constant use of his veto with respect to these laws. Clearly, the result of the development of these processes will be an inevitable presidential-parliamentary crisis, reproduced according to the worst-case scenarios of fall 1993.

After the redistribution of powers by the legislative branch at the end of 1995 and the purely superficial legal and political formalization of that redistribution, the scenario of a redistribution of ownership will in fact be implemented.

There will be a fresh redistribution of "wrongly privatized" state property. "Dekulakization" of the fuel and energy complex will begin. When the government gradually loses the role of coordinator of the interests of the regions and enterprises, other institutions of power, primarily the representative branch, will inevitably "open their arms" to directors and governors. And from there it is only a small step to the much-desired takeover of the administrative-management "helm" from the Russian Government to the accompaniment of slogans of preserving and developing the military-industrial complex, supporting national industrial capital, ensuring the fair coordination of interests, and so forth.

As a result the fusion of negative political and economic processes will have destructive sociopolitical and socioeconomic repercussions.

In this situation we cannot merely react to events, we must work actively to anticipate them.

Already, before possible demarches by the State Duma, it would be correct to tell all government members taking part in the elections to resign and directly look after their election campaigns. It is high time the Russian Government was given purely official functions of the day-to-day management of the national economy, S. Shakhray stressed.

Shakhray Urges Candidates To Resign Before Running

LD2209221195 Moscow INTERFAX in English 2050 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — Russia's Deputy Prime Minister Sergey Shakhray told a second congress of his Party for Russian Unity and Concord (PRUC) [PRES] in Moscow Friday that government members running for the State Duma should resign and dedicate their efforts to the election campaign.

According to Shakhray, splitting the government into managers and politicians will help prevent political games in the cabinet. In addition, "it will help avoid the inevitable parliamentary-government crisis and the State Duma's vote of no confidence in the current government," he added.

Shakhray described his discourse at the congress as an "historical speech," saying his party will run for the State Duma to cancel the results of elections by party tickets by its very first decision.

Shakhray is convinced that deputies should represent individual regions rather than political parties.

Shakhray estimated his party's chances to win the elections as "fifty-fifty." "We have the same chances as the Communist party and the movement Russia Is Our Home (NDR)," he added. The existing electoral law and the number of election associations already registered (over 300) level the chances of major parties, he stated.

Commenting on his party's withdrawal from Premier Viktor Chernomyrdin's NDR, Shakhray remarked that "the NDR situation was consistent with the well-known scheme "We Wanted As Better, But Did As Always." The NDR has not become a counterbalance to parties of political buffoonery and radicals."

Among specific features of the present political situation in Russia, Shakhray highlighted intensification of political extremism, unification of communists and agrarians and creation of a single front against the "party of power." Under the present circumstances, the government will not have a majority in the State Duma, he added.

Asked about his wishes concerning the president and the government at this moment, Shakhray wished they had foreseen rather than reacted to what is happening in Russia's politics and economics.

The PRUC congress will meet in session for three days to adopt its program, decide on canvassing signatures in support of a referendum on private ownership of land and electing candidates to the future parliamentary elections.

Deputy Prime Minister Sergey Shakhray told Interfax in an exclusive interview Friday that he was also referring to himself as he stated the need for government members running for the State Duma to resign earlier this afternoon.

Shakhray gave this interview before a news conference at the end of the first day of work of his Party for Russian Unity and Accord's second congress.

Asked when he planned to undertake this step, Shakhray said "everything should be done in time" and proposed "waiting a little bit."

Asked who will run the country if all government members follow his suit, Shakhray said "let Boris

Nikolayevich (Yeltsin — IF note) offer Yavlinskiy and Skokov to head the government, giving up political ambitions."

Analyst: Six Blocs To Overcome Five Percent Barrier

LD2209114495 Moscow INTERFAX in English 1018 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — Six parties and blocs will easily overcome the 5% barrier in the Duma elections, head of the Presidential Analytical Department Mark Urnov told a seminar of heads of organizational services from regional executive power bodies in Moscow Friday.

These are the Russian Communist Party, the Agrarian Party, the Liberal-Democratic Party, the Yabloko, the Our Home Is Russia and the Congress of Russian Communities. The latter will overcome the barrier thanks to General Aleksandr Lebed, said Urnov.

According to him, the current election campaign witnesses a huge number of candidates to the Duma and a change in the mentality of electors. The voters are less ideological than they were two years ago. Today they are guided by election programs which aim at certain layers of the population, said Urnov.

The election campaign will be fierce and difficult, because the irreconcilable opposition understand this is its last chance to take power, said the analyst. In his opinion, this is the reason for the election strategy of the Russian Communist Party whose leaders "have repeatedly tried to achieve a vote of no-confidence in the government, impeachment of the President and denouncement of his actions by the Constitutional Court since the beginning of this year."

The federal and regional executive power bodies should "overcome the wave of hysteria and hopelessness to be raised by the irreconcilable opposition," said the official. The executive power bodies should coordinate their work and explain to people "who is their friend and who is a speculator." "We are worthless if we fail to do this," said the analyst.

Yavlinskiy: Self-Reliance Key to Prosperity

MK2309095395 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 63, 17-24 Sep 95 p 6

[Interview with Grigoriy Yavlinskiy by Olga Bychkova; place and date not given: "'Our Priorities Are Property and Heritage'" — first paragraph is MOSKOVSKIYE NOVOSTI introduction]

[FBIS Translated Text] MOSKOVSKIYE NOVOSTI presents the leaders of registered election associations. Today Grigoriy Yavlinskiy (Yabloko) answers questions from our correspondent.

[Bychkova] What do say to your voters? Are you for the "Whites" or the "Reds"?

[Yavlinskiy] Yavlinskiy is not asked who he is for. I am asked what I will do, what I think of this or that.... You can take a look at our program....

[Bychkova] Some can, but some....

[Yavlinskiy] Enough copies of the program will be printed. I think all those willing will be able to see it.

[Bychkova] And understand what is written there?

[Yavlinskiy] And understand everything written there because in the present situation there are no simple answers to complex questions. Simple answers to complex questions are not even worth the paper they are printed on.

[Bychkova] What makes the present situation so unusual?

[Yavlinskiy] The fact that the possibilities for our economy to develop at the expense of oil, gas, speculative banking operations, and foreign credits have been virtually exhausted. In the next few years we will be confronted with the question of how our economy can rise up based not on these sources, but on its own points of economic growth. Social questions remain central to the program. We believe we should analyze the collapse of economic reform, which was an end in itself. We are organizing our economic actions so that within the first years they benefit individual people. We are appealing to these people with an honest proposal concerning an increase in the norm for savings, guaranteeing these savings. We are relying on the resources that we have, and on this basis are proposing a substantial maneuver in the economic structure, the manufacturing and light industry in Russia. It is especially important to create really private owners. We say that a priority of our economic program is citizens' property and the legacy they will leave their children. These are the distinctive features of our program.

[Bychkova] But this is approximately the same that is being said by Chernomyrdin's "Russia Is Our Home" bloc, and many others.

[Yavlinskiy] Chernomyrdin does not have to say anything. Whatever Chernomyrdin can do is happening today. What he says in his program does not matter. If I were prime minister, I would not need to write an election program because the people know the prime minister's entire program. At least for the past few years.

[Bychkova] Do you think that, compared to previous elections, the makeup of your electorate will change?

[Yavlinskiy] I think that new people will come to us — those who did not vote and those who voted for different parties in the democratic spectrum, PRES [Party of Russian Unity and Accord], for example.

[Bychkova] Do you think the voters will be able to see the difference? How?

[Yavlinskiy] Ask him (or her) — why are you asking me?

Authorities, Opposition Eye Chechnya Poll Factor

MM2509110195 Moscow KOMSOMOLSKAYA PRAVDA in Russian 23 Sep 95 p 1

[Article by Pavel Voshchanov: "Elections Soon. 'Hawks' and 'Doves' Fly to Chechnya"]

[FBIS Translated Text] Recent events have confirmed the fears of those who believed the Groznyy talks would produce nothing — neither peace nor tranquillity. Throughout this time our Russian leaders have been very cunning in depicting themselves as convinced peacemakers. In no way did they want to admit the sad fact that they were forced into opening a dialogue with the Dudayevites not out of a pathological revulsion for blood and gunpowder but by the cruel but successful act undertaken by Shamil Basayev. Consequently, everything was bound to end in this way — terrorism has paved the way to peace, but it has also led it down a blind alley.

The assassination attempt against the president's deputy is both a sorry and a worrying event. There is no reason to be happy about it, much less a reason to take any malicious pleasure in it. Nonetheless, it is a natural result of the absence of logic shown by Russian leaders. They have dragged the country into a savage carnage to which no end is in sight. As for keeping state control of this "military theater" — one way or another we have already lost it. Chechnya is a republic within Russia which for many years to come people will have to visit in tanks and accompanied by armed guards. Officials will, of course, have all this provided for them. But what about the rest of us?

In human terms, we have to sympathize with Lobov and his colleagues who suffered in the bridge bombing. But, while sympathizing, we also cannot fail to level the following rebuke: Is it possible to engage in peacemaking without having sorted out the main thing — who on both sides it to blame for the bloodshed? Without this, talks are almost absurd. After all, if Dudayev's gunmen are ordinary "bandits," then what agreement can be reached with them? If not, then why did we do all this? Hardly any of our valiant soldiers could explain clearly enough today just what Russia has achieved through its artillery bombardments and precision bombing of its own territory. Much less can they point to victories that would justify the thousands of soldiers' and civilian lives destroyed in this little-understood war.

The exacerbation of the situation in Chechnya will almost certainly be exploited by opposition politicians gripped by election fever. By both "doves" and "hawks." But the authorities will not be found wanting either. For them this is a chance to demonstrate a "firm hand" and recover at least some of the lost votes of Russians who are well and truly scared and find it hard to understand what is going on. Admittedly, there are some possible drawbacks — the reaction of the West and, primarily, the United States. It has been directly hinted to the Kremlin that before telling others what to do in the Balkans it should sort out its own problems.

...Last Thursday was a major holiday — the birth of the Blessed Virgin — which has always been celebrated as the birth of the Russian state. Unfortunately, none of the "great" noticed it. It seems as though they have their own holidays. Such as "Free Russia Day" or "Russian Flag Day." And, who knows, maybe we will live to see an edict introducing yet another — something about Chechnya — to boost patriotic sentiments.

Poll Ranks Zyuganov First Among Bloc Leaders

LD2109162995 Moscow INTERFAX in English 1514 GMT 21 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 21 (Interfax) — Leader of the Communist Party of the Russian Federation Gennadiy Zyuganov ranks first among the leaders of the election parties and movements. In an opinion poll held last August by the Public Opinion fund and involving 55 politicians, political scientists and journalists, Zyuganov scored 9.06 points on a 10-point scale.

Zyuganov's main rival, leader of the Yabloko movement Grigoriy Yavlinskiy won 6.67 points.

Leader of the Russia Is Our Home movement Viktor Chernomyrdin ranks third (5.41 points).

The Liberal-Democratic Party leader Vladimir Zhirinovskiy scored 4.88 points, Agrarian Party leader Mikhail Lapshin — 4.36 points and Aleksandr Lebed (the Congress of Russian Communities) — 4.04 points.

Leader of the Democratic Choice of Russia Yegor Gaydar scored 2.05 points, Boris Fedorov (Forward, Russia!) — 1.70 points and Yuriy Skokov (the Congress of Russian Communities) — 1.03 points.

State Duma Chairman Ivan Rybkin ranks tenth (0.83 points).

CIS Deputy Foreign Ministers Meet in Moscow

LD2309085195 Moscow Russian Public Television First Channel Network in Russian 0500 GMT 23 Sep 95

[From the "Novosti" newscast]

[FBIS Translated Text] A consultative conference of deputy foreign ministers of the CIS member-states was held in Moscow on Friday, the RIA agency reports. Representatives of all the countries of the commonwealth took part in the conference. Russia's Deputy Foreign Minister Nikolay Afanasyevskiy, took the chair.

The conference was devoted to preparations for the session of the council of CIS foreign ministers in October. A draft agenda for the meeting of the ministers, which included a package of issues concerning peacekeeping on the territory of the CIS, improving the structures of bodies of the commonwealth, and the development of cooperation between the CIS participants in the international arena, as well as a number of other issues, was agreed during the discussions.

Interstate Economic Committee Meets in Moscow

Views Integration Issues

LD2209120595 Moscow ITAR-TASS in English 0940 GMT 22 Sep 95

[By Lilia Kuznetsova]

[FBIS Transcribed Text] MOSCOW, September 22 (Itar-Tass) — The presidium of the Interstate Economic Committee (ISEC), chaired by Russian Vice-Premier Aleksey Bolshakov, met on Friday to focus on several issues of multilateral integration cooperation between member states of the Commonwealth of Independent States (CIS).

The presidium discussed a draft report to the Council of the CIS cabinet heads, dealing with the operation of CIS interstate and intergovernment bodies engaged in coordination of economic issues.

The meeting also examined a plan of measures to set up a Payments Union of commonwealth states and a concept for the future union.

Besides, the meeting discussed tasks on forming a multilateral Customs Union which, in the opinion of presidium members, will be a condition for efficient operation of an Economic Union of CIS countries.

The presidium studied a draft concept and an agreement to create CIS united scientific and technological space, which are to be submitted for the consideration of the Council of the commonwealth cabinet heads in the near future.

The main aim of these documents is to help check the process of destruction of the scientific and technological potential in CIS countries and create favourable conditions for cooperation in this sphere.

Discussion of a draft agreement on conducting a concerted policy in the sphere of gas transit was another important item of the meeting.

Presidium members stressed that the signing of this document at the Council of the cabinet heads could help ensure non-stop operation of transnational systems of gas supplies, in which many CIS countries are now vitally interested.

Discusses Customs Union

LD2209220495 Moscow INTERFAX in English 2136 GMT 22 Sep 95

["INTERFAX-UKRAINE" news item]

[FBIS Transcribed Text] Moscow, September 22 (Interfax) — A plan for a payment union of the CIS member-states and ways of forming a customs union are being discussed by the Interstate Economic Committee's presidium in Moscow. The session is being held behind closed doors.

The question of financing the Council of Collective Security and its working bodies is going to be discussed. There are plans to establish a permanent secretariat responsible for putting into effect the treaty of collective security and a number of military agreements concluded by CIS member-states.

Russia will fund half of the secretariat's costs. The other half will be provided by other CIS member-states on a proportional basis.

The session is also discussing the question of how to turn the Economic Court of the CIS into a body with greater powers — the Court of the Commonwealth of Independent States.

CIS Economic Court Chairman Leonid Dashuk has said that the concept of the Court of the CIS presented to the economic committee's presidium would empower that body to examine other cases, such as human rights abuses, economic and other disputes and disputes between various organizations and institutions of the CIS.

The court would also act as an arbiter in conflicts between economic entities.

All decisions by the Court of the CIS would be mandatory. If the economic committee's presidium approves of this concept, it will go before the CIS

Foreign Ministers' conference for approval on October 3.

Central Asian States To Join Customs Union

LD2209150795 Moscow Mayak Radio Network in Russian 1400 GMT 22 Sep 95

[FBIS Translated Text] Kyrgyzstan, Uzbekistan, and Tajikistan, at a sitting of the presidium of the CIS Interstate Economic Committee today, said they intend to join the CIS customs union. According to Russian Deputy Prime Minister Aleksey Bolshakov, other CIS countries also approve of its principles.

Daily Reviews 'Important' Tasks

MM2509125495 Moscow ROSSIYSKIYE VESTI in Russian 23 Sep 95 p 3

[Unattributed report: "CIS Integration in Action"]

[FBIS Translated Text] A session of the presidium of the Interstate Economic Committee (MEK) was held in Moscow yesterday under the chairmanship of Russian Government Vice Premier Aleksey Bolshakov.

It examined a number of important questions of multilateral integration collaboration. They included the plan for priority measures stemming from the agreement on the creation of the Payments Union and the concept of a payments union of the CIS economic union member states (decision of the CIS member states' council of 21 October 1994); tasks for the formation of a multilateral customs union; a single commodity products list for foreign economic activity whose use was recently approved by the CIS customs services council.

There was also a discussion of the draft concept and agreement on the creation of a CIS common scientific and technological area. The main aim of the documents is to help halt the process of the destruction of the CIS countries' scientific and technological potential and to create a favorable environment for transferring knowledge and technologies through a coordinated policy for the development of science and technologies and the harmonization of the relevant national legal norm bases. In this connection it is planned to create an international scientific center on the basis of the physicotechnincal institute named for A.F. Ioffe (in St. Petersburg) and the international scientific and technical center for welding and related technologies on the basis of the interbranch scientific technical complex of the "Ye.O. Paton Institute of Electric Welding" (Kiev).

The session paid serious attention to the draft agreement "on pursuing a coordinated policy in the field of the transit of gas" whose signing at the council of heads of government could help to ensure the uninterrupted functioning of transnational systems of gas supply, in which many CIS countries are vitally interested.

A large amount of work is being performed in the MEK to study the activity of numerous CIS interstate and intergovernmental organs engaged in the coordination of questions of an economic nature. Analysis and discussion of measures to put their work in order and enhance its effectiveness were an important element of the presidium session.

The MEK Presidium examined other questions including the preparation of documents for the mutual legal regulation of economic relations and the equalization of terms of economic activity of the Economic Union member states, the concept of a CIS Court, the further activity of the "Mir" interstate television and radio company, and the creation of a council of leaders of CIS state news agencies.

ITAR-TASS Carries Press Review for 23 Sep

LD2309052995 Moscow ITAR-TASS in English 0445 GMT 23 Sep 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] Moscow, September 23 (ITAR-TASS) — Leading Russian newspapers publish, in full or in summary, Boris Yeltsin's address to the peoples of the Chechen Republic.

According to the IZVESTIYA newspaper, reports by the Chechen Interior Ministry confirm that the destabilisation of the situation in the republic was caused not by political reasons: rampant crime is sweeping the republic.

"A large-scale rash of crimes, including serious, took place after the start of the negotiating process," head of the Chechen Interior Ministry headquarters Akhmed Dakayev told IZVESTIYA.

The army newspaper KRASNAYA ZVEZDA expresses firm conviction in a report from Groznyy that the attempt on the life of the Russian president's plenipotentiary representative in Chechnya Oleg Lobov is not an isolated fact but "an element of a plan thoroughly worked out by Dudayev's rebels, which is aimed at fanning up tension in the region".

Lieutenant-General Arkadiy Baskayev, commandant of the Chechen Republic, said in an exclusive interview with the daily that rebels stepped up their provocations and started firing on federal troops in Groznyy even at daytime, "which did not happen in the past".

The PRAVDA newspaper carries an interview with ex-speaker of the Russian parliament Ruslan Khasbulatov, entitled "I Want to Support People Whom Chechnya Now Needs Very Much".

Under the heading "Elections-95: Portrait of Contender", IZVESTIYA features an article on the Yabloko movement, prepared by staffers of its analytical centre. "The present situation does not prod voters to embrace the liberal idea, which is no secret for Yabloko ideologists.

"Therefore, its general strategy lies, to all appearances, in critical attitude to authorities, remaining in opposition," says the material of the analytical centre.

In an interview with the ROSSIYSKIYE VESTI newspaper, Russian Economics Minister Yevgeniy Yasin expressed hope that the level of inflation in September will be no higher or slightly higher than in August. It amounted to 4.6 percent last month, which is the lowest figure for the entire year.

IZVESTIYA informs its readers of taxation versions which are actively debated in parliament and the government.

According to Dmitriy Ignatyev, staff member of the tax reforms department at the Russian Finance Ministry, "the unbearable burden of taxes on enterprises, which was repeatedly and deservedly criticised, may be eased in 1996.

"However, specialists of the department suggested, in order to prevent a shrinkage of the federal budget, that 'disappearing' revenues be set off by higher taxation of wealthy citizens."

PRC'S Qian Qichen Pays Official Visit, Meets Leaders

Discusses Cooperation With Yeltsin

LD2209202295 Moscow ITAR-TASS World Service in Russian 1720 GMT 22 Sep 95

[By ITAR-TASS diplomatic correspondents Dmitriy Gorokhov and Vladimir Fedoruk]

[FBIS Translated Text] Moscow, 22 Sep (ITAR-TASS) — The talks of Russian President Boris Yeltsin with Qian Qichen, vice premier of the PRC State Council, "confirmed the inalterability of the course of constructive partnership and has set the tone for the preparation of the visit of the president to China." Andrey Kozyrev announced this today after talks with the Chinese foreign minister. The visit of the head of the Russian state "will undoubtedly become a big new step in developing the constructive partnership and providing it with a substantive character," the Russian foreign minister said.

He noted that the sides "will be seeking to prepare more than ten large agreements, including a large political document, expected to reflect the current state and prospects of political cooperation of the two states."

The ministers did not specify a time for the Russian president's visit. Qian Qichen, however, stressed that "the visit by Boris Yeltsin will become the culminating point in the development of our relations this year."

The Chinese foreign minister noted that during the talks with Yeltsin "we reached the same view on all the issues discussed" and the talks with Kozyrev were held on the basis of understandings reached at the meeting with the Russian president.

On Saturday [23 September] Qian Qichen will be meeting with Prime Minister Viktor Chernomyrdin. They will be discussing the economic aspects of the cooperation of the two countries.

Yeltsin Hails 'Constructive Partnership'

LD2209190595 Moscow ITAR-TASS in English 1831 GMT 22 Sep 95

[By Irina Bolshova and Irina Shchyogoleva]

[FBIS Transcribed Text] MOSCOW, September 22 (Itar-Tass) — Russian President Boris Yeltsin confirmed on Friday his intention to visit China by the end of the current year at a meeting with Vice-Premier of the People's Republic of China, Foreign Minister Qian Qichen in the Black Sea resort city of Sochi where the Russian president came for his annual leave, a spokesman for the press service of the head of state told Itar-Tass.

Speaking at the meeting, the Russian president expressed satisfaction with the development of constructive partnership between the two nations, based on the principles formalised in the Joint Declaration of September 3, 1994.

The sides stressed that practical work has started in all the areas of cooperation. Confidence is growing between the two countries, and practical cooperation in global and regional affairs is picking up steam.

It was pointed out at the meeting that the Russian and Chinese leaders have established a regular dialogue on all issues of the international situation and Russian-Chinese relations.

Qian arrived in Moscow on Thursday evening. One of the main purposes of the vice-premier's trip to Russia is to prepare the ground for the Russian president's official visit to China, which is expected to take place at the end of this year.

Qian is due to return to Moscow this afternoon. He will hold talks with Russian Foreign Minister Andrey Kozyrev this evening. The Chinese vice-premier is expected to meet Russian Prime Minister Viktor Chernomyrdin on Saturday.

Itar-Tass was told by a high-ranking official of the Russian Foreign Ministry that the very fact that Yeltsin had met the Chinese vice-premier, although he receives practically no foreign leaders during his leave in Sochi, was an additional evidence of the "special importance" which Moscow attaches to relations with Beijing.

The Russian diplomat noted that the dates of Yeltsin's visit to China have still not been mentioned. He said that problems, linked with the upcoming third Russo-Chinese summit, would be discussed in detail during Qian Qichen's talks with his Russian counterpart Andrey Kozyrev.

According to Vice-Premier Oleg Davydov, Russian-Chinese trade and economic cooperation has further strengthened lately. The growth of the bilateral trade turnover in 1995 is taking place against the background of the continuous reduction of the trade on a barter basis which is the least effective for the Russian economy. The share of the barter trade has gone down to about 27 per cent.

In the seven months of this year the volume of trade between Russia and China amounted to 2.7 billion U.S. dollars which is 3.9 per cent more as compared with the same period of the last year, the Russian vice-premier noted.

The Russian export at this period was worth 1.9 billion U.S. dollars (up 5.3 per cent) and import — 0.8 billion U.S. dollars (up 0.9 per cent).

Russia's principal items of export to China remain ferrous and non-ferrous metals, fertilisers and other chemical goods, mineral fuels and oils, fish and other sea products, timber and other commodities.

The structure of the Russian import has not changed in the last few years. It comprises mainly food products and consumer goods, Oleg Davydov pointed out.

The vice-premier who is also a co-chairman of the inter- government Russo-Chinese commission for trade-and-economic and scientific-and-technical cooperation, believes that the expansion of volumes of cooperation with China accounted for the increase in the share of trade operations carried out by specialised foreign trade companies and enterprises-producers.

Unqualified trade agents have been gradually ousted from the market, the infrastructure of frontier trade has further developed and control over the quality of goods delivered by both countries has improved, he pointed out.

The results of trade and economic cooperation between Russia and China in the past few years confirm once again the need to diversify its forms and more actively include in its sphere such effective directions as technical and economic assistance in the implementation of investment projects in China, the mutual investments of entrepreneurs' capitals, an exchange of technologies and production cooperation, Oleg Davydov asserted.

Further development of cooperation demands the improvement of forms of border trade on the basis of standards adopted in the world trade practice, and the quality of mutually delivered commodities and provided services, the vice-premier stressed.

Discusses Trade With Chernomyrdin

LD2309094395 Moscow ITAR-TASS World Service in Russian 0828 GMT 23 Sep 95

[By ITAR-TASS correspondent Gennadiy Yezhov]

[FBIS Translated Text] Moscow, 23 Sep (ITAR-TASS) — The first half of the year has seen an increase in export and import operations between Russia and China, and the slump in Russian-Chinese trade turnover has been overcome. This was noted today during a meeting between Russian Premier Viktor Chernomyrdin and Qian Qichen, Chinese vice premier and foreign minister. According to the two ministers, civilized forms of export and import operations and hard currency settlements are replacing barter deals.

Let us recall that the trade turnover between our countries last year was $5 billion and $8 billion in 1993.

The main purpose of Qian Qichen's visit to Russia is to prepare for Russian President Boris Yeltsin's official visit to China, which is due to take place this year. In this connection, particular attention was paid during the meeting to joint projects, on which agreements could be signed during Yeltsin's visit.

In an interview with the ITAR-TASS correspondent, Russian Deputy Foreign Minister Aleksandr Panov stated that one such project is the construction in China by Russian specialists of the "Three Gorges" hydropower station.

Questions of military cooperation were not raised during the meeting. However, the sides did express their intention to develop such cooperation.

Touching on the subject of the approaching 50th anniversary of the United Nations, Viktor Chernomyrdin and Qian Qichen noted that "there are negative features" in the work of the international organization. Its anniversary needs to be used to "draw conclusions from its 50 years' experience." The two stated that the position, whereby one or two countries dictate the rules for the organization of the world, is an outdated model.

Kozyrev: Cooperation To Aid Security

LD2209191795 Moscow ITAR-TASS World Service in Russian 1828 GMT 22 Sep 95

[By ITAR-TASS diplomatic correspondents Dmitriy Gorokhov and Vladimir Fedoruk]

[FBIS Translated Text] Moscow, 22 Sep (ITAR-TASS) — "Neither Russia nor China are striving to create military alliances or blocs in Asia. That time has passed," Russian Foreign Minister Andrey Kozyrev stated today answering a question from the ITAR-TASS correspondent after his talks with Qian Qichen, the head of China's diplomacy.

In the cooperation between the two countries in the 1950's "there were many positive features, but there had also been shortcomings," he noted. It is important now, he said, to build "interaction on a new basis — a basis of constructive partnership," striving to create a "community of security in Asia."

The minister pointed out in particular that a document on measures of trust is being drawn up for the coming Russian-Chinese summit meeting. The document in its importance goes far beyond merely bilateral relations. "It will be very important for stabilizing the situation, not just along the vast Russian-Chinese border, but also in Asia as a whole, including the CIS states".

"Russia and China therefore are by their practical work contributing to security in Asia," Kozyrev said in conclusion.

Qian Qichen Criticizes UN 'Errors, Failures'

LD2209212495 Moscow Russian Television Network in Russian 1900 GMT 22 Sep 95

[From the "Vesti" newscast]

[FBIS Translated Excerpt] [Correspondent V. Skvortsov] Chinese Foreign Minister Qian Qichen today in Sochi discussed with Yeltsin the details of his visit to Beijing. [passage omitted]

Prior to his departure to New York tomorrow to attend the UN anniversary session, Qian Qichen in Moscow criticized the organization today for its errors and failures. The United Nations should not become a tool that one or several countries could use to implement their own political goals. One should take into account the diverse nature of the modern world.

Andrey Kozyrev shares this view. But despite the development of military cooperation, it is not the question of a new military and political bloc. But Beijing may well forget the distant Bosnia. Some sources claim the United States has started to consider a U.S.- Chinese summit.

PRC's Qian Qichen Vows No Foreign Alliances

LD2209185495 Moscow ITAR-TASS World Service in Russian 1754 GMT 22 Sep 95

[By ITAR-TASS diplomatic correspondents Dmitriy Gorokhov and Vladimir Fedoruk]

[FBIS Translated Text] Moscow, 22 Sep (ITAR-TASS) — Russia and China have "similar or identical" positions on international issues, PRC Foreign Minister Qian Qichen stated today after talks with Russian opposite number Andrey Kozyrev.

At the same time, the Chinese minister said, China "will not enter into an alliance with any state." He said that a specific feature of the present international situation is the "multipolar and diverse nature of the world."

Touching on military technical links between Russia and China, Qian Qichen stated that "cooperation does exist in the military technical sphere." However the PRC "has never used purchases of foreign weapons to strengthen its defense."

'Observers:' Rapprochement Ensuing From Qian Visit

LD2309170395 Moscow NTV in Russian 1500 GMT 23 Sep 95

[From the "Segodnya" newscast]

[FBIS Translated Text] [Correspondent Arkadiy Medvedev] Military-technical cooperation was not specifically discussed — this was PRC Vice Premier and Foreign Minister Qian Qichen's brief comment on the results of his meeting today with Viktor Chernomyrdin. He stressed, however, that cooperation in this field should be advanced further. Qian Qichen declined to make any further comment on today's closed-door meeting with the Russian premier.

Russian Deputy Foreign Minister Aleksandr Panov described the meeting as a stage in preparations for the Russian president's visit to China, which is provisionally scheduled for November this year. It emerged that the main discussion today was on trade and economic issues, so as to have ready at the summit in China a set of economic accords prepared for signing. Panov cited as an example a project to build a major power station in China, the Three Valleys [name given in Russian].

However, some observers reckon that today's meeting, which, incidentally, ended Qian Qichen's three-day visit to Russia, was a serious stage in the process of strengthening of trust between the two countries. According to some reports, agreements to step up not only military-technical cooperation, but also documents on interaction on the border are being drawn up for President Yeltsin's forthcoming visit; these latter may settle the long-standing territorial dispute.

Observers also believe that against the background of the difficulties in China's and Russia's bilateral relations with the United States which have emerged recently, the rapprochement between Beijing and Russia could have a very serious impact on the geopolitical situation. One indication that this rapprochement is becoming increasingly close is the fact that recently, official Moscow has not once voiced any criticism of observance of human rights in China. And Beijing, in its turn, has refrained from making any judgements on the Chechnya military campaign.

ITAR-TASS Notes Importance of Yeltsin-Qian Meeting

LD2209140195 Moscow ITAR-TASS in English 1128 GMT 22 Sep 95

[By Irina Shchegoleva]

[FBIS Transcribed Text] SOCHI, September 22 (Itar-Tass) — Russian President Boris Yeltsin, who is now on leave, had a brief working meeting with Deputy Premier of the PRC State Council, Foreign Minister Qian Qichen, who arrived in Sochi today, Itar-Tass was told by well informed sources.

One of the main purposes of the deputy premier's trip to Russia is to prepare the ground for the Russian president's official visit to China, which is expected to take place at the end of this year.

Qian Qichen is to return to Moscow today afternoon. He will have talks in the evening with Foreign Minister Andrey Kozyrev. The deputy premier is expected to meet Russian Prime Minister Viktor Chernomyrdin on Saturday.

Itar-Tass was told by a high-ranking official of the Russian Foreign Ministry that the very fact that Yeltsin had met the Chinese Deputy Premier, although he receives practically no foreign leaders during his leave in Sochi, is extra proof of the "special importance" which Moscow attaches to relations with Beijing.

The Russian diplomat noted that the dates of Yeltsin's visit to China have still not been mentioned. He said that problems, linked with the upcoming third Russo-Chinese summit, would be discussed in detail during Qian Qichen's talks with Kozyrev.

Daily: Yeltsin Serious About Bloc To Counter NATO

MK2209133195 Moscow SEGODNYA in Russian 21 Sep 95 p 9

[Report by Leonid Velekhov: "A New 'Warsaw Pact:' To Be or Not To Be? A Presidential Edict Has Provided the Theoretical Underpinnings for It. It Is Now a Matter of Practical Diplomacy"]

[FBIS Translated Text] A report earlier this week that Boris Yeltsin has signed the edict "Russia's Strategic Course With Members of the Commonwealth of Independent States" attracted attention not only because of the word combination "course with..." ["kurs s...."], which is odd even for the new Russian bureaucratese. This document stands out among the flow of edicts signed by the Russian Federation president almost every day in that it has come about amid practical actions and events which, as it were, have de facto outlined the contours of Russia's real new strategic course in the CIS. This is primarily the statement by the Russian president at a press conference on 9 September about Russia's readiness to create a new military-political bloc with the CIS states, patterned after the Warsaw Pact. Furthermore, these are the negotiations between Viktor Chernomyrdin and Eduard Shevardnadze in Tbilisi on 15 September, which made it clear that Russia is finally changing its orientation in the Georgian-Abkhazian conflict and is moving to full support — including by force — of Georgia in its aspiration to restore its territorial integrity.

The first among these events — Yeltsin's statement — has aroused a harmonious chorus of voices from the CIS republics saying that they will not join any military bloc. Belarusian President Lukashenka, who supported Yeltsin, was a voice in the wilderness. After that Andrey Kozyrev, at a press conference on 13 September, adjusted Yeltsin's statement, interpreting it as a "warning" in the event of the "worst-case scenario" for the processes of all-European interaction. But he did not seem to convince the overly suspicious neighbors from the Commonwealth: Negative reaction from the CIS countries, primarily from Ukraine, to Yeltsin's statement continues to come in. The new Russian-Georgian alliance, which openly declared the aim of "curbing separatists," has provoked a stormy protest from Sukhum [Sukhumi], which raised an alarm over the fact that Moscow and Tbilisi are preparing a joint military operation "to restore Georgia's territorial integrity."

The picture of an unprecedented upsurge in Russia's political activity on the CIS "salient," which has not until now been overindulged by its attention, has in the past two weeks been supplemented by Andrey Kozyrev's surprise visit to Tashkent and Dushanbe on 18-19 September, which was preceded by just as surprising an arrival in Moscow by Tajikistan President Emomali Rakhmonov. Both visits were formally designed to "discuss bilateral relations" and to sign minor treaties on cooperation in the sphere of culture and tourism, which forces the suspicion that there were some other reasons for such intensive diplomatic contacts behind the declared objectives. These suspicions were strengthened by the fact that Andrey Kozyrev's meetings with Islam Karimov in Tashkent and with Emomali Rakhmonov in Dushanbe took place behind closed doors and that afterward Kozyrev went directly to Boris Yeltsin in Sochi to brief him on the results of the trip (Which results: the signing of the treaty on tourism?) Viktor Chernomyrdin's trip to Kazakhstan on 16-17 September to meet with Nursultan Nazarbayev over a weekend was attributed to the Russian premier's wish to hunt. Moreover, on 19 September Moscow was visited by the only CIS leader who immediately gave a positive response to Boris Yeltsin's idea of the new "Warsaw Pact:" Belarusian President Alyaksandr Lukashenka. A week before his boss, Belarus Foreign Minister Vladimir Senko had arrived in Moscow for talks — which also were not announced in advance — with Andrey Kozyrev. But even that proved to be not enough of Russian-Belarusian contacts: Yesterday Lukashenka visited Yeltsin in Sochi. Finally, also yesterday Kirgizia's [Kyrgyzstan's] Foreign Minister Roza Otunbayeva came to Moscow. It is noteworthy that her visit was preceded by a statement, cited by INTERFAX on Tuesday [19 September], by a Kirgiz presidential staffer that "if Boris Yeltsin raises the question in a tough way, Kirgizia will then have to join the military-political bloc."

It is hard to recall another period in the CIS's brief history so saturated in bilateral contacts between Russia and its — most loyal — Commonwealth partners. It seems that Russia's new "strategic course with CIS member states" has been launched straightaway. To all appearances, the crux of it is the idea of a military-political bloc, while the itineraries of this and last week's trips by Russian top politicians and the return visits to Moscow by politicians from the CIS can even now be taken to indicate a tentative, preliminary list of state founders of the new "Warsaw Pact."

This supposition becomes almost a conviction when one studies the content of the presidential edict "Russia's Strategic Course With the CIS Members States," which was presented by INTERFAX on Tuesday. After this there are no more doubts about Yeltsin's sensational statement at the 9 September press conference about Russia's intention to form a new Warsaw Pact-like bloc being an improvisation or empty "caution." The edict directly states the need to "work toward a collective security system on the basis of the Collective Security Treaty of 15 May 1992 and bilateral relations between the CIS states, encouraging the intention of the Collective Security Treaty member states to unite in a defense union on the basis of their common interests and military-political objectives." The contours of a future military union also emerge from a passage about the need to apply "efforts to ensure that the CIS countries implement their obligation to refrain from participation in unions and blocs aimed against any of these states." The place in the bloc that the Russian Federation has assigned itself is also defined quite clearly: "in interaction with third countries and international organizations, work toward ensuring their understanding that this region is primarily a zone of Russian Federation interests." Also: Pay special attention to "restoring the Russian Federation's position as the main educational center in the post-Soviet space, bearing in mind the need to educate the younger generation of the CIS states in the spirit of friendliness toward Russia."

So the new doctrine has apparently been formulated and signed. Now it depends on the diplomats' art whether it will be translated into life, using the economic difficulties of some partners in the future bloc, promising others assistance in restoring their territorial integrity, and deftly playing on contradictions between third and fourth parties.

Kozyrev: Yeltsin Comment on Forming Bloc 'A Caution'

LD2409193395 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 23 (Interfax) — Russian Foreign Minister Andrey Kozyrev said on Saturday [23 September] a recent statement by President Boris Yeltsin that former Soviet republics may form a bloc if NATO expands eastwards should be seen "rather as a caution."

Kozyrev said that on Wednesday he discussed the matter with Yeltsin in Sochi, where the president is on holiday.

It is "a caution against steps that may lead to the emergence of an interbloc structure in the world," Kozyrev told members of the Politika journalists' club.

"But that is not our choice," he added.

Yeltsin told a news conference in Moscow on September 8 that, if the North Atlantic alliance approached the borders of Russia the latter "will immediately enter into constructive contacts with all the republics of the former (Soviet) Union, and the result of it will be a bloc."

Moscow To Take 'Steps' if NATO Approaches Borders

LD2209153195 Moscow INTERFAX in English 1420 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — NATO's eastward enlargement is inconsistent with the setting up of a universal security system in Europe and would infringe on the national interests of numerous other European countries as well as Russia.

Boris Kazantsev, Russian Foreign Ministry's deputy director of the European cooperation department, told Interfax Friday that the NATO Council had adopted a report on the alliance's enlargement. Moscow has not received a copy of the report. Its presentation for the countries involved in the Partnership for Peace program, notably Russia, will take place on September 28 in the NATO Brussels headquarters.

Kazantsev said that if press reports are correct, the report discusses "the possibility or otherwise of stationing foreign troops or nuclear weapons on the territories of new potential member states".

"We take a very dim view of plans to move the alliance's infrastructure eastward to the borders of the Russian Federation and other CIS member states," Kazantsev emphasized

He believes that if the events follow this scenario, Russia will have to take appropriate steps.

Kazantsev said that he did not have in mind the immediate setting up of a bloc or a defense alliance.

"But we in the CIS have a collective security agreement. As the geopolitical and military situation changes, the CIS member states will jointly think about what could be done. The situation would change on the borders of Belarus and Ukraine as well as Russia," he explained.

Kazantsev added that Russia could review its relations with NATO as its leaders have said.

He emphasized, however, that the NATO report does not imply that the alliance will admit new members immediately.

"Rather, the document outlines first steps towards enlargement of NATO. It is an important small step which does not signify that the gates are open and the enlargement process is off," Kazantsev said.

A more detailed account of the interview is published in Interfax Diplomatic Panorama of September 22.

Official Warns of 'Countermeasures' to NATO Expansion

LD2209150395 Moscow Mayak Radio Network in Russian 1400 GMT 22 Sep 95

[FBIS Translated Text] Moscow will take countermeasures if the NATO military structures come close to the borders of the Russian Federation, Kazantsev, deputy head of a Russian Foreign Ministry department, told INTERFAX while commenting on the NATO report on measures to expand the NATO alliance. According to him, there is one aspect in this document that will particularly alert Russia — that is, deliberations on the possibility or impossibility of deploying foreign troops and nuclear weapons on the territories of new potential NATO member-states. However, the diplomat said that Moscow has not yet received the full text of the NATO report.

Daily: NATO Set To Implement Eastward Expansion Plans

MM2209133595 Moscow KRASNAYA ZVEZDA in Russian 22 Sep 95 p 3

[Article by Vadim Markushin: "NATO Wants No Rowdy Scenes Over Expansion"]

[FBIS Translated Text] This truth has been known a long, long time: Nothing so strengthens the self-confidence of a serious opponent as emotional outbursts by the other side. The Russian president's speech at his celebrated news conference, at the same time as displaying displeasure at NATO's eastward expansion, had the effect of a sedative pill, paradoxical though this may seem. After a brief slight shock both Washington and Brussels regained Olympian calm. For the Kremlin's attempt to merely "scare" the West with serious intentions was quite clear.

NATO's obvious success in the Balkans, which has changed the correlation of forces in the camp of the partner-rivals, has lent all the more weight to the first persons in the North Atlantic hierarchy. The question of NATO expansion has shifted somehow very directly from the sphere of appraisals and estimations to the path of real structures. Developing the success in operational depth, as it were, after its lengthy session last Wednesday the NATO Council approved an "internal discussion" document on the alliance's eastward expansion. It was decided to familiarize the East European countries, including Russia, with it 28 September. After that NATO delegations will do the rounds of the bloc's candidate members to explain the terms of acceptance in detail on the spot.

According to available data, the document includes several important provisos which the East European countries will certainly perceive with no particular enthusiasm. I mean, for example, the requirement to thoroughly settle all conflicts and squabbles with neighbors, to pacify ethnic minorities, and, once having become a NATO member, not to count on the possibility of using the right to veto the admission of others.

Those wishing to be among the first are already ranged in order, depending on their readiness to assume part of the burden of responsibility for security on the continent. At any rate, after the U.S. defense secretary visited the Czech Republic, it became clear that that country was located on the right flank. Commenting on the results of his meeting with William Perry, Premier Vaclav Klaus spoke of the main criteria for deciding the question of admission: the armed forces' compatibility with the bloc's armies and the reality of sources of funding for the actual movement toward NATO standards. Of course, account is taken of monetary aid from the West, which, according to the Pentagon head, will help the new partners "not only with words but also with money." In particular, he mentioned the $100 million allocated for these purposes from the U.S. treasury.

Having now set about implementing the NATO expansion plan with both hands, high-ranking representatives of the NATO countries have noticeably simplified the diplomatic rhetoric in terms of explaining the general usefulness of basing Atlantic structures on East European positions. NATO's eastward movement will be carried out despite Russia's reaction — this basic thesis is used by all the chief activists of "strengthening European security" according to the Atlantic scenario. Admittedly, some prudently soften it with familiar passages of a "pro-Russian" kind, urging Moscow to be aware that they are making this endeavor for its good too.

Thus, FRG Foreign Minister Klaus Kinkel hastened to declare that the new world order must be created not only not against Russia but also with its active participation. "We offer Russia a place in Europe in keeping with its significance. But Russia too must take the outstretched hand. This means that it must renounce the old images of the enemy and not use them in the internal political election struggle."

The German diplomat probably voiced the West's greatest concern in the context of Russia's expected reaction to the "NATO offensive." For there is no doubt that this episode of considerable importance in international life can weaken some people's positions in the Russian election battles while strengthening others. There is also no doubt that the recent "signals" from NATO headquarters relating to readiness to discuss with Moscow the problem of the flank restrictions stipulated in the Treaty on Conventional Armed Forces in Europe have a similar underlying cause. They result from the desire to ensure the strengthening of NATO's positions without any rowdy scenes, by means of "quiet" reforms.

Moscow 'Sharply Objects' To Planned NATO Expansion

MK2209122595 Moscow KOMMERSANT-DAILY in Russian 22 Sep 95 pp 1, 3

[Report by Georgiy Bovt: "If Security Grows Somewhere, It Inevitably Diminishes Somewhere Else"]

[FBIS Translated Excerpt] Late Wednesday night [20 September] the NATO Council adopted a special document devoted to the bloc's eastward expansion. On 28 September it will be presented to Central and East European countries — including Russia, which sharply objects to the alliance's expansion. According to NATO representatives, the 30-page text does not contain answers to the questions of who will be admitted to NATO or when. Only the first stage of the enlargement has been approved: That is to say, the questions "How?" and "Why?" have been answered. Formally, access to NATO is not closed to Moscow: There is no such ban in any document, although in private conversations NATO politicians and military men rule out such a scenario. In this context the question "Why?" in Moscow's understanding reads: "Against whom?"

President Yeltsin's sharp protest against NATO's forced expansion eastward, made approximately a week ago, does not seem to have produced any impact on alliance members. Having sustained a pause sufficient to finally make sure that all threats by Moscow to restore a quasi-Warsaw Pact are hollow, NATO strategists took yet another step toward bringing the bloc's eastern border closer to Brest. In the process they are, of course, making all the correct, polite noises to Russia. The Brussels document in particular stresses that NATO expansion to the east does not threaten Russia and that new members of the alliance will not necessarily have foreign (i.e. NATO) troops and nuclear weapons stationed on the their territory in peacetime. Although one cannot fail to notice that this formulation itself (presumably aimed at pacifying Russia) is dubious: They are not obliged to station but may well station [troops]. Moreover, the "recruits" will have to follow NATO nuclear doctrine: They must have infrastructure capable of accommodating NATO troops and nuclear warheads at any moment and have communications and staff procedures compatible with NATO standards. New NATO members will not be obliged (again this misleading word "not obliged") to participate in the NATO joint military structure. But this means nothing, as the ruling elites of the aspiring countries are absolutely euphoric over NATO in general and are dominated by the wish to get into the alliance's military organization in particular. [passage omitted]

So far there is no waiting line for NATO. The alliance clearly wants to avoid crowding at the entrance, and therefore the aspirants are expected to be divided into a first priority category and those who can wait. The waiting time is not going to be long, though. Hungary, Poland, and the Czech Republic are most often cited among the priorities, with the runners-up being Bulgaria, Romania, Slovakia, and Slovenia. Answers to the questions "Who?" and "Why?" should not be expected from Brussels before late 1996 or even early 1997. There are three reasons for this. First, by that time the EC should decide on a single security policy. Second, after the presidential elections, it will be clear what sort of Russia the West will have to deal with.

Third, NATO, to put it mildly, is also not indifferent to the personality of the president of another country — the United States — where elections will also take place in November 1996. [passage omitted]

Commenting on the decision to enlarge the bloc, one highly-placed NATO diplomat observed thoughtfully: "A benevolent Russian reader should not read a direct threat behind the lines of the adopted document, thinking that NATO troops are already being stationed in a neighboring house." True, there are more than a few benevolent Russians, but at the same time there are more than a few politicians in Russia who want to stamp out such benevolence. Living in a besieged fortress is nothing new for Russians — even though this is not very comfortable.

Moscow To Veto Deployment of NATO Forces in Bosnia

LD2209205895 Moscow INTERFAX in English
1941 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — Russia will use its veto, if the U.N. Security Council ever considers the deployment of NATO forces in Bosnia under its own mandate, a high-ranking Russian diplomat made clear in an interview with Interfax Thursday.

The diplomat said the currently suspended air strikes had been dealt without the U.N. mandate.

"There was a request by the U.N. secretary general to NATO as the only organization capably of carrying out such an action. As a result, the hyped U.N.-NATO memorandum on mutual understanding, in fact a contract between a customer and an executor, was concluded," he explained.

The diplomat said three options for a future peacekeeping operation in former Yugoslavia were under consideration.

"The first one is to preserve the U.N. operation, the second is to mandate a purely NATO action and the third is to replace the "blue helmets" with multinational forces and form a coalition of states at the decision by the U.N. Security Council," he said.

The last option was "quite acceptable as a guarantee of observing a comprehensive agreement on settlement in Bosnia-Herzegovina," he added.

In addition, the U.N. is really experiencing financial difficulties, the diplomat said. "The peacekeeping operation in Bosnia required about $2 billion a year until recently, while the expenditures rose by nearly a quarter with the dispatch of rapid deployment forces in the region," he added.

Kozyrev Interviewed on Bosnia, Meeting With Yeltsin

LD2409214995 Moscow Russian Public Television First Channel Network in Russian
1900 GMT 24 Sep 95

[Interview with Foreign Minister Andrey Kozyrev by Aleksandr Shkirando; place and date not given — recorded; from the "Sunday" program presented by Aleksandr Malikov]

[FBIS Translated Text] [Malikov] What we can hope to find out now is: What instructions were received from the president by one of his first visitors in Sochi?

[Kozyrev] The instructions were very clear. Firstly, and as a matter of principle, to talk tough when arguing our national state interests — which we are in fact doing — including those instances when we hold something against the United Nations. Take the secret memorandum. It clearly goes beyond the bounds of accepted practice. We have fished out this secret memorandum, and incidentally this was done by the Foreign Ministry, by our [UN] mission. We have unearthed it and raised the issue. Many people seem to think that nothing has really happened. Well, something has happened. When a secret like this is brought into the open and discussed, then even those who take an anti-Serb stance start listening to what we have to say much more attentively — because the political problem is one thing, but the manner in which something is done behind the backs of member states of the United Nations is quite another matter, and no one obviously likes it when it happens.

Therefore, we shall continue our struggle, but the president has given a clear instruction: to act within the bounds of international law, not to lapse into hysterical shouting, not to lapse into confrontation, but to argue for our interests through cooperation and partnership with the world around us.

[Shkirando] Does that mean that you managed to obtain, as it were, a mandate from Boris Nikolayevich Yeltsin, particularly remembering that quite recently we have heard serious criticism directed at the Russian Foreign Ministry?

[Kozyrev] I believe I have. Every conversation with the president is important to me. I shall tell you another thing: criticism too is in a way an expression of confidence, because when one criticizes someone, one expects the latter to make amends. I must say that the president criticizes all departments. You may recall that he recently attended board meetings at some of our neighboring departments, and criticized them probably even more stringently than us. But it is not a matter of competition who gets more criticism. The heart of the matter is to take the president's criticism in your stride.

At the same time, with regard to the main strategic course — on the one hand, not to lapse into confrontation, and on the other hand, not to give up either, even when we find ourselves in the minority, but instead to carry on arguing our position — this is very important for me. And in this sense, this is exactly the mandate I have received from the president: to persist in pursuing our policy.

[Shkirando] But there is another policy, that pursued by a group, or even several groups, of State Duma deputies. In this connection, what is your attitude to the latest initiative of those deputies who have set up a permanent mission in Bosnia? Do you regard them as your allies in diplomacy?

[Kozyrev] You see, we have our man [Igor] Ivanov staying there working very hard. He is a deputy minister, a professional of the highest order, who knows all the issues inside out. And now we have this group of deputies, who, I am sorry to say, probably cannot tell Serbia from Yugoslavia and so on, because these are extremely complex issues. Why not then go the a factory and start assembling machine-tools? You see, it is more or less he same thing. It is an absurd interpretation of their role, if they try to act as substitutes for the professionals. Maybe this is done just to gain some kudos, or maybe to claim travel expenses and allowances.

Incidentally, since we are on the subject of deputies, it would not do any harm to the elected representatives of the people, who are in the business of writing laws, to know themselves our basic law, the Constitution. Well, the Constitution says foreign policy is the president's prerogative. That means that not only are they trying to engage in professional diplomacy without in fact being professionals, but they are also quite simply interfering with the president's constitutional functions.

Solution to U.S. Embassy Shelling Possible Soon

LD2209220195 Moscow INTERFAX in English 2010 GMT 22 Sep 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — The criminal investigation into the shelling of the U.S. embassy in Moscow is not hopeless, a highly placed staffer in the Moscow prosecutor's office told Interfax Friday.

The official said that evidence is available which might lead to an early solution of the case.

An unknown man fired a grenade launcher at the embassy building on September 13. None of the embassy personnel or passers by was hurt and the damage was insignificant. A criminal case was opened.

The official said that the powerful investigating team on the case includes city prosecutor's office, Moscow criminal investigation board and Federal Security Service personnel. None of the 4 lines investigated by the team has been rejected, he explained.

Two Federal Bureau of Investigations officers and a State Department representative are in Moscow to investigate the shelling, U.S. embassy press attache Richard E. Hoagland told Interfax Friday.

They held a working meeting Thursday with the Russian investigators.

The Moscow prosecutor's office staffer said that under the Russian legislation the FBI officers have a right to carry out active investigation only inside the embassy building.

Political Issues

Border Chief Briefs Yeltsin on Security Situation

LD2309123895 Moscow ITAR-TASS World Service in Russian 1203 GMT 23 Sep 95

[FBIS Translated Text] Moscow, 23 Sep (ITAR-TASS) — In Sochi today, Andrey Nikolayev, director of the Russian federal border service, reported to President Boris Yeltsin on the situation with regard to the state borders protection in 1995, as well as measures and tasks which the federal service intends to implement in 1996, the Russian president's press service told ITAR-TASS.

The president clarified some of the issues connected with the implementation of international agreements in Russia's interests. The president approved of the course of the federal border service aimed at strengthening international cooperation in protecting the borders and in combating such international crimes as drug dealing, smuggling, and illegal immigration.

The president noted the importance of developing the federal border service as a special state service. In line with the law on the state borders, the coordinating role of the federal border service was underscored in protecting the state borders.

The president recommended continuing in 1996 the special wide-scale operations similar to the "Barrier" and "Fishing Season" operations. He approved of the proposal to carry out special training exercises for improving the interactive skills of the federal border service with the other Russian power-wielding ministries.

The meeting noted the need to develop relations with neighboring countries.

Yeltsin Returns Ten Draft Laws to State Duma

LD2209180195 Moscow INTERFAX in English 1510 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (INTERFAX) — Russian President Boris Yeltsin has returned ten bills to the State Duma without analyzing them.

The bills include:

— "On measures against organized crime,"

— "On introduction of changes and amendments to the Russian Criminal Code,"

— "On introduction of changes and amendments to the Russian Criminal Code of Practice,"

— "On accounting,"

— "Russian Criminal Code,"

— "On introduction of Russian Criminal Code,"

— "On introduction of addition to the Russian law on military duty and military service,"

— "On introduction of changes and amendments to the Russian law on military duty and military service,"

— "On introduction of addition to the Russian law on military duty and military service,"

— "On introduction of changes and amendments to the Russian Criminal Code of Practice."

The reasons for this action of the President are given in his letter to Duma Speaker Ivan Rybkin and Chairman of the Federation Council Vladimir Shumeyko, the presidential press service reported Friday.

The aforesaid laws were adopted by the State Duma and submitted to the Federation Council for consideration, says the letter. The Federation Council took the bills for consideration but has not done so.

A situation when copies of federal bills, whose originals are at the Federation Council, have been submitted to the President has occurred before, and the Russian President has informed the State Duma on his stand, says the report of the press service.

The Russian President signs the original bill and not its copy.

Despite evident violations of the Constitution by the parliamentary chambers, the President preferred to abstain from voicing his opinion on relations between the chambers in the part of the Federation Council's obligation to consider laws adopted by the State Duma, because he had appealed to the Constitutional Court with a corresponding inquiry.

This was the reason for the return of copies of the federal laws to the State Duma.

The President proposed to the parliamentary chambers to settle their differences in consultations and other conciliatory procedures.

Yeltsin Said To Favor Ex Officio Federation Council

MM2209153895 Moscow ROSSIYSKIYE VESTI in Russian 22 Sep 95 p 1

[Report by Lyubov Tsukanova: "Law for Upper Chamber. Boris Yeltsin Insists It Be Adopted"]

[FBIS Translated Text] A conference-seminar of leaders of Russian Federation components' legislative and executive branch organs held yesterday in Moscow recommended that the Russian Federation president form the Federation Council in December 1995 from the heads of Federation components' legislative and executive organs.

Speaking at the conference-seminar, Sergey Filatov, the Russian Federation president's chief of staff, stressed that the Russian Federation Council had managed to do much in the legislative sphere and in forging collaboration between organs of federal authority in this field. Next comes the task of forming a long-term state program of legislative work on whose implementation the next State Duma will have to work.

Filatov expressed concern over the slow progress in building a civil society, in particular over the country's lack of authoritative political parties expressing the interests of considerable strata of the population. Consequently the voter will encounter enormous difficulties in the upcoming State Duma elections: Already, according to Central Electoral Commission data, over 50 electoral associations intend to participate in the elections.

Touching on the problem of forming the Federation Council, Filatov noted that the president intends to exert all his influence to ensure that a law on the formation of the Federation Council which conforms to the Russian Federation Constitution is adopted in the near future and that he will be asking the Constitutional Court to give an interpretation of the relevant provisions of the Russian Federation Constitution as soon as possible.

Yeltsin Dismisses Stavropol Security Chief

LD2409154995 Moscow ITAR-TASS in English 1540 GMT 24 Sep 95

[By Nikolay Styazhkin]

[FBIS Transcribed Text] STAVROPOL, September 24 (ITAR-TASS) — Russian President Boris Yeltsin has sacked Stavropol region security chief Major-General Oleg Romanov following the completion of an investigation into the June terrorist attack on the city of Budennovsk, southern Russia.

Earlier, the president sacked the region's governor Yevgeniy Kuznetsov and Lieutenant-General Viktor Medveditskov, head of the regional Interior Affairs Department.

Investigators also have instituted criminal proceedings against five law enforcement officers on charges of negligence and failure to prevent three KamAZ trucks carrying Chechen terrorists led by Shamil Basayev from entering the city.

Chernomyrdin Leads Poll as Influential Politician

LD2409194895 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 24 (INTERFAX) — Among Russian politicians who exert a serious influence on the political decision-making Russian Prime Minister Viktor Chernomyrdin is in the lead. His rating is 9.72 points of the 10-point scale. This figure was cited by the Public Opinion Fund referring to the August poll of 55 politicians, political scientists and journalists.

The Fund experts say that the rating of Russian President Yeltsin was not taken into account. However, the Fund noted: 55% of experts would put Yeltsin to the first place, while 45% to the second if the name of the president were put on the list of names of the leading politicians for the polls.

According to the poll, chief of the president's security service Aleksandr Korzhakov (8.97%) slightly lags behind Chernomyrdin.

The third place is occupied by the president's first aide Viktor Ilyushin (6.71 points).

Moscow's Mayor Yuriy Luzhkov has 5.11 points. He occupies the fourth place among Russia's leading politicians. State Duma speaker Ivan Rybkin has 4.59 points and First Deputy Russian Prime Minister Oleg Soskovets has 4.43 points, they occupy the fifth and sixth places respectively.

First Deputy Russian Prime Minister Anatoliy Chubays with 3.72 points occupies the seventh place. He is followed by the leader of the Russian Communists Gennadiy Zyuganov — 1.67 points.

Chairman of the Federation Council Vladimir Shumeyko and Yabloko leader Grigoriy Yavlinskiy have less than one point, 0.93 and 0.73 point respectively.

Chances of Skokov Replacing Chernomyrdin Seen Unlikely

MK2309094895 Moscow KURANTY in Russian 19 Sep 95 p 4

[Article by Viktor Bondarev: "Variants Are Still Possible"]

[FBIS Translated Text] Is Chernomyrdin's resignation and Skokov's appointment as premier possible? Such a version was aired in Sunday's [17 September] "Itogi" [television news program]. How likely is it? I will confidently say that Yeltsin will not opt for it without a weighty reason: In his five years in power, the president has not removed a single deputy premier or minister without good reason, for simple considerations of the moment. All dismissals were preceded by some turbulent political or economic events. Can something occur in the near future to lead to changes in the White House?

The parliamentary recess is ending. When the deputies gather again they will definitely give the executive branch the "final big fight" [a line from 'The Internationale,' international proletarian anthem]. They have to score points in the election race, and, most importantly, they are not afraid now that the Duma could be disbanded. Now that they have nothing else to lose, they will be asking for trouble in the most insolent way. They have a formal reason for criticizing the government — the 1996 draft budget, with which they will disagree for sure (they already do). Discussing the future budget, the deputies will once again go back to the question of no confidence in the government and, I think, this time they will express their no confidence with utter pleasure, aware of their absolute impunity.

One cannot but recognize that the opposition today has rather powerful arguments against the government. The White House has a number of vulnerable spots: The inflation rate has dropped much less than the level promised early in the year, and it is virtually the same as last year. There is a clear standstill in privatization; the treasury will not receive the nine trillion rubles provided for in the budget. A banking crisis, massive pension payment delays, a critical situation in funding the military, a crop failure, the absence of clear prospects for settling the Chechen crisis — all this lends the parliamentary crisis, clearly to happen soon, such acuteness that the question of replacing the premier may really arise. True, it is improbable that the president will really agree to dismiss Chernomyrdin before the election — the premier is pulling "his load," and few doubt his loyalty to Yeltsin.

Chernomyrdin's future may be decided after the election depending on its results. Options may vary, though. Let us suppose the Duma is sharply oppositionist; let us suppose an Agrarian-Communist bloc is in the lead in it in partnership with Yeltsin's implacable foes — for example, with Yavlinskiy. Indeed, the CPRF [Communist Party of the Russian Federation] — APR [Agrarian Party of Russia] — "Yabloko" "axis" is not an invention. On most questions, they have long been voting in concert: against the government. Besides, the approaching presidential election will certainly make Yavlinskiy an even greater enemy of Yeltsin's than he has been so far. The president will not agree on anything with such a Duma, and he will hardly seek a compromise with it by removing Chernomyrdin. In this event, his election tactics will include, as they did two years ago, an irreconcilable struggle against the parliament, and Chernomyrdin will help him with it. Given such a turn of events, however, the presidential election may not take place at all, with Yeltsin disbanding the Duma according to law.

Should "Russia Is Our Home" [NDR] succeed in the election (especially in single-seat constituencies, where "the party of power" has powerful levers), the premier will also keep his post. True enough, if this happens, he automatically becomes a potential presidential candidate. Given such a turn of events, Yeltsin and Chernomyrdin will most likely find a common language.

The most unfortunate possibility for Chernomyrdin may be a moderately aggressive Duma where the NDR is represented weakly while Skokov's KRO [Congress of Russian Communities] wins strong positions. Yeltsin has been, over the past two years, regularly displaying a readiness to cooperate with parliament and to make certain concessions. He would also clearly prefer to be preparing for the presidential election in conditions of relative political stability. Should a situation arise where Yeltsin gets a stable political situation in the country by sacrificing Chernomyrdin without a radical change in economic policy, the president may indeed put forward Skokov for the position of premier.

Let me remind you: Skokov took care of the economic part of Yeltsin's 1991 presidential election program. He even was invariably by his side throughout the long [campaign] tour of Russia.

That will not signify, however, that we will have a Skokov government: Russia is a presidential republic with the composition of the cabinet of ministers determined in the Kremlin. When Chernomyrdin was simply reputed to be a "stalwart economic manager," he used to be counterbalanced by, at first, Chubays and Fedorov, then, Gaydar, Chubays, and Fedorov, and later, Shokhin and Chubays. We may suppose that the president will "attach" someone to Skokov, too. For example, [presidential economic adviser Aleksandr] Livshits, yet another prominent champion of a market economy who has not been a minister yet. An option according to which Chernomyrdin himself is appointed first deputy cannot be ruled out either. Why not? If he once was supervised by lab managers, he may just as well come to terms with a colleague from the corps of directors — under the Kremlin's supervision, of course.

Kozyrev: Ministry's Monetary Situation 'Disastrous'

LD2409193495 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 24 (INTERFAX) — Russian Foreign Minister Andrey Kozyrev has described the financial situation of the Foreign Ministry as "disastrous."

"If it goes on like that there will be no one to be criticized," Kozyrev said at a meeting with members of the Politics journalist club in Moscow Saturday with a clear reference to the recent criticism of the Foreign Ministry by the Russian leadership and parliament.

Kozyrev said he was skeptical about the idea of the Foreign Ministry's "partial self-financing."

"There are no countries in the world where the Foreign Ministry and embassies earn their living themselves," he said.

Kozyrev said he believed that the Foreign Ministry should concentrate on the country's national interests rather than think where to get money from.

Shakhray To Consider Resigning as Deputy Prime Minister

LD2309131895 Moscow INTERFAX in English 1236 GMT 23 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 23 (INTERFAX) — Russian Deputy Prime Minister, leader of the Party for Russian Unity and Concord Sergey Shakhray told reporters today that he would think about resigning as the deputy prime minister.

"I will definitely be on leave in the period until the elections to the State Duma on December 17 and this may be not just vacation," he said.

When asked to elaborate, Shakhray told an INTERFAX correspondent that "the congress of the Party for Russian Unity and Concord demands that I should not remain in the Russian government."

Shakhray said he believed that the government of Viktor Chernomyrdin and all ministers involved in political blocs and movements running to the parliament should take a leave at their own expense for the period until the parliamentary elections.

Shakhray said that otherwise ministers would be accused of abusing office and using their official powers in the election campaign.

Shakhray said he believed that the government should distance itself from the election campaign and focus on resolving the country's economic problems.

Shumeyko, Soskovets Involvement in Fraud Firm Unfounded

LD2209222095 Moscow INTERFAX in English 2050 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (INTERFAX) — An investigation has found no information about the involvement of Federation Council Speaker Vladimir Shumeyko and Russian First Deputy Prime Minister Oleg Soskovets in the activities of the notorious Vlastilina firm, Vladimir Vitkovskiy, head of the Moscow region Interior Ministry Department investigation group, told INTERFAX Friday.

State Duma Security Committee head Viktor Ilyukhin said earlier that Shumeyko and Soskovets used the firm Vlastilina's services. The firm's head Valentina Solovyova has been under arrest on fraud charges since July 7.

The Podolsk-based Vlastilina, which promised high interest rate and the opportunity to buy cars and flats for low prices to those who deposited money into its accounts, now owes at least one trillion rubles to the depositors.

Vitkovskiy characterized the Ilyukhin's statements based on the information provided by Solovyova's lawyers as "irresponsible and not corresponding to the high position he occupies."

The investigation is based solely on facts, and there are no facts proving the high-ranking officials' ties to Vlastilina, he said.

Vitkovsky rejected Solovyova lawyers' accusations that the investigators do not keep track of the names of high-ranking officials mentioned by Vlastilina head. "If Solovyova or her lawyers had any observations as to the registration of statements, they could have not signed them," he said.

Filatov Launches Liaison Body for Local Legislators

MM2209122895 Moscow ROSSIYSKIYE VESTI in Russian 21 Sep 95 p 1

[Report by Lyubov Tsukanova: "Legislative and Executive Organs Must Operate on a Common Legal Playing Field"]

[FBIS Translated Text] A meeting with members of the Association of Heads of Regional Organs of Legislative Authority, held yesterday at the Russian Federation Presidential Staff, was devoted to questions of the conduct of constitutional and legal reform and implementation of the Russian Federation law "On the General Principles of the Organization of Local Self-Government."

[Chief of Staff] Sergey Filatov, opening the conference, first of all stressed the importance of setting up the association and welcomed the local legislative organs' desire to coordinate questions of legislative activity and collaborate on this question with organs of executive authority. Particularly as cooperation between the executive and legislative authorities is not universally painless, the head of the Russian Federation President's Office remarked. There is the problem of the delimitation of authority and discrepancies between local legislative acts and the Russian Federation Constitution and local laws. The president is intending to set up a special administration under the State Law Administration to give juridical assistance to legislators at regional level, Sergey Filatov announced.

In their assessments of the president's edict on the system of elections to state organs of authority in the components of the Federation and to organs of local self-government, many speakers noted its suitability and the fact that it is "deferential" to federal and regional parliaments, although they do expect a tumultuous debate (chiefly among politicians) and certain difficulties in the edict's implementation, since this will require special decisions by local legislative organs. Noting the complexity of the election campaign now under way, Sergey Filatov urged legislative organs at regional level to collaborate with the president and make balanced decisions that will help maintain stability in the country.

Media Issues

Opposition Media 'Myths' Criticized

MM2509100095 Moscow ROSSIYSKIYE VESTI in Russian 23 Sep 95 p 2

[Article by sociologist Anatoliy Uralov: "Myths Will Not Replace Reason"]

[FBIS Translated Text] I know at first hand how strong the influence of the mass media is on the formation of public opinion. In tracing items in several of our local and oblast publications, the emotionally charged articles by journalists, and roundups of letters from a specific range of readers, you form the impression that we have long been living in the times of the Apocalypse. Of course the opposition stance of the mass media toward the authorities and the opportunity of giving various assessments of the authorities' activity, including the most negative assessments, is not forbidden now and is even welcomed. But why descend to hysterical ranting, thus creating the latest myth about our Fatherland's terrible fate?

Formerly we all lived under the protection of the myth of a vast country where man could breathe freely. Now, at a time of the duality of mass consciousness, of half-hopes and half-suspicions, as you can see they are trying to offer us somewhat different myths.

The newfound manipulators of people's consciousness have started to appeal increasingly frequently to the offended sense of national dignity, creating among the people a complex of inferiority and grievance. Theories about lebensraum, about the people as victim, about the long-suffering land, have begun to appear. And as a consequence there is an increasing number of slogans calling for revenge, an ever increasing number of "lamentations" and ideologists "trumpeting war."

Of course it is not myths — the tribal memory created by generations — which prompt people to live and work. But subconsciously they nonetheless affect them, creating a feeling of belonging, of being chosen, of the importance of their own activity. And often their power is used to "guide" crowds, to arouse collective instincts. And this inevitably leads to self-isolation.

Idols of the subconscious constructed on the basis of the ideas of grievance sooner or later must emerge. They are waiting only to be released — for instance the beating up of dissidents or foreigners, clashes between different social groups among themselves or with the authorities at meetings in an artificially created situation.

And the more hypocritical the ideology of the myth, the easier it is to control the rebellious "subcortex" and the more subordinate the crowd's rebellion will be to the will of manipulators and all kinds of soothsayers and hysterics.

Myths are also created which exaggerate the fateful nature of our character and our history for a large number of peoples. There are extremes here, too. That we are a people chosen by god, that we are a great revolutionary people before whom history, in both cases, has set some unusual missions. Yet fixing the attention on some kind of "sacrificial" quality in the Russian people and introducing the ideas of grievance and disinheritance are of themselves humiliating to the Russian man and his historical memory.

...One could doubt whether mankind will survive in the future, but if it does survive it will be a society of free, responsibility people, a society of individuals. Perhaps there will be misfortunes and crimes in it but there should be no dulled crowd consciousness in it. We cannot let ourselves be turned into pre-programed zombies. After all, we are not "Ivans of unknown ancestry." A world of people can only be built when homo sapiens, the reasoning man, stands at the center of this world.

Moscow ORT To Cease Broadcast of 'Versions' Program

ORT Explains Decision To Drop Program

LD2509143095 Moscow ITAR-TASS in English 1406 GMT 25 Sep 95

[By Tamara Ivanova]

[FBIS Transcribed Text] MOSCOW, September 25 (ITAR-TASS) — "The decision to delete from the Moscow television's first channel Aleksandr Solzhenitsyn's telecasts is by no means linked with the writer's personality or political convictions. Neither do we have any complaints against the quality of his programmes," ITAR-TASS was told today at the Directorate for Relations with the Public and the Mass Media of the Public Russian Television. Its officials said that this decision was merely linked with a new telecasting concept and the first channel's revamped political package of telecasts, intended for the pre-elections period.

The leadership of the Public Russian Television believes that the task of this largest TV network is to give the Russian population a clear-cut picture of the participants of the elections race, which requires more political telecasts. It was found necessary to revise the list of political programmes in order to ensure a normal balance between all the television genres and not to become a purely political television.

According to an official of the Directorate, the network's search for the most optimal concept of telecasting has resulted in the deletion, starting from October, of more than ten programmes due to different reasons. They include, as a matter of fact, Sergey Dorenko's popular "Versions" programme. The Directorate expressed the hope that Solzhenitsyn will display proper understanding and will take part in the network's various future telecasts.

In the meantime, Nataliya Solzhenitsina, the writer's wife, today commented on the Public Television's decision to stop her husband's regular appearances on the first channel in the following way: "Aleksandr Solzhenitsyn was sure that the time would come when he would be barred from the microphone. It is noteworthy that this occurred immediately after the September 20 article in the newspaper Izvestiya, spearheaded against these telecasts. This reminds me of communist times, when 'public opinion conditioning' was prepared with the help of the press," she noted. Nataliya Solzhenitsyna believes that this turn of events was linked with the "beginning of a vehement pre-election campaign".

Anchorman Comments on Decision

LD2509153995 Moscow INTERFAX in English 1353 GMT 25 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 25 (INTERFAX) — The popular current events television show Versions will be broadcast on NTV at the beginning of October, anchorman Sergey Dorenko told INTERFAX Monday.

He said the principle of the team making Versions is: "Not to lose face in front of Russian intellectuals or the democratic camp."

In reference to the decision of the leadership of Channel 1 [Moscow ORT] to drop Versions from the broadcasting schedule, Dorenko said the channel lacks a consistent political line. As examples he named the regular program of Aleksandr Nevzorov, the repeated airing of the Press Club featuring Vladimir Zhirinovskiy and the ban on a glimpse of Mikhail Gorbachev from the introduction of Avtorskoye TV programs.

Therefore the claims of the channel leadership that Dorenko is uncontrollable and does not fit the political line of the channel are groundless; such a line does not exist, the anchorman remarked.

He added that almost every edition of Versions was criticized by station director Sergey Blagovolin and the deputy chairman of the Board Boris Berezovskiy.

"I was not allowed to show Sergey Kovalev, mention Chechnya, film Grigoriy Yavlinskiy or Yegor Gaydar. Lately General Aleksandr Lebed irritated the channel leadership especially," Dorenko said.

On the alleged high cost of the show, given as the reason for stopping its broadcasts, Dorenko said that Channel 1 purchased the output of Ren-TV — the producing company — in a package and the price of Versions was not specified.

"We were ready to sell Versions to Channel 1 for a symbolic price of one ruble," Dorenko said.

Military Issues

Chernomyrdin Bans Power Cuts on Defense Establishments

LD2309183095 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 23 Sep 95

[From the "Vremya" newscast]

[FBIS Translated Text] Just this minute we have received a statement from the government information department.

On several occasions recently, regional power grids have disconnected military and defense-industry installations from the mains electricity supply, the statement says. The Russian Federation considers such actions irresponsible and unacceptable, and detrimental to national security.

Viktor Chernomyrdin today signed a government order that bans such actions. It also cancels a previous condition that allows installations of the Russian military and major enterprises working on state defense orders to be disconnected if they are 30 days in arrears on electricity and heating bills.

Ministry Takes Measures To Ensure Power on Installations

LD2409215295 Moscow Radiostantsiya Ekho Moskvy in Russian 2040 GMT 24 Sep 95

[FBIS Translated Text] The Russian Defense Ministry has taken emergency measures to ensure uninterrupted power supply to military installations. News agencies do not specify the measures but there are grounds to believe that they involve military sub-units guarding certain power grid installations. Earlier the government took a decision prohibiting to cut off power supply to military installations. In certain cases such power cuts could have had catastrophic consequences.

Decree Threatens Power Supplies to Military

MM2209155895 Moscow KRASNAYA ZVEZDA in Russian 22 Sep 95 p 1

[Article by Aleksandr Dolinin under the "Situation" rubric: "No Guilty Parties. But the Strategic Forces Are Still Under Threat of Being 'Cut Off'"]

[FBIS Translated Text] Within living memory criminal cases were dismissed, and even disappeared, at the sound of a bell. But now? Investigators of the Strategic Missile Forces Military Prosecutor's Office had not had time, almost literally, to bring the case of "feeder no. 16" (like a power-supply network) to its logical conclusion before Government Decree 760 appeared, and the entire year-long work of the Military Prosecutor's Office virtually ceased to have any point.

...But let us put everything in the right order. On 21 September last year the supply of electricity to the Strategic Missile Forces Central Command Center was terminated on the orders of Pavel Sinyukov, "chief" of Mosenergo [Moscow Regional Administration of Power System Management]. Two days later the Strategic Missile Forces military prosecutor instituted criminal proceedings in respect of elements of a crime provided for in Article 171, Part 1, of the RSFSR Criminal Code. The article proposes "criminal liability for exceeding authority or official powers." But at first the shareholders in the power industry tried to brush aside the prosecutors in uniform: We are civilians, they said.... Then they realized that our country has a unified prosecutor's office and started testifying. They were not saved by the claim that they did not know of the strategic importance of the installation they were cutting off. Two letters to Pavel Sinyukov from the leadership of the Strategic Missile Forces were filed in the case. They explained that the line serviced by Mosenergo supplies current to units continuously in charge of nuclear missile weapons. Both letters bore acknowledgments [rezolyutsii] by Sinyukov.

The following was established in the course of the investigation, which was completed by Justice Lieutenant Colonel Aleksandr Khlebalov, military prosecutor. Sinyukov really did exceed his authority. A government decree of 8 April 1994 prohibited him from "limiting and terminating the delivery of fuel and energy resources" to enterprises and organizations of the Ministry of Defense included on the list of specially important state installations. He was seen to have exceeded his authority. This was also confirmed by qualified experts.

The investigation, as is proper, was objective in the utmost. As a result of the fact that, when the electricity was cut off, the Central Command Center's alert-duty personnel made the switch within a matter of seconds to autonomous supply sources (reserve sources in case of war!), the tasks of military command and control of the Missile Forces were carried out in full. Thanks to the missilemen's great skill, there was not even a brief loss of control. Consequently, Mosenergo's actions did not cause substantial harm to state interests. Because there were no grave consequences, the criminal case was dismissed.

The conclusion of this scrupulous work virtually coincided with the "anniversary" of the Central Command Center's being cut off and with the publication of the new Government Decree 760 "On Some Measures To Stabilize Electricity Tariffs." This document provides for the termination of the supply of electricity and thermal energy even to previously "protected" installations like the Strategic Missile Forces Central Command Center. Precisely 30 days after the expiry of the time for paying for the shareholders' services.

In short, in the past "the world was astounded — Chernomyrdin got angry and promised to severely punish the guilty persons." This is what newspapers almost all over the world were writing a year ago. Now they have reason to be astounded all over again....

Under the new conditions one of the newspapers proposes disseminating the experience of one military unit whose commander, owing to a chronic lack of money, allocates servicemen to repair heating pipelines and to do other jobs for organizations which have him by the throat.

If we speak of strategic missilemen, they long ago went over to "economic accountability." For the second year in succession they are accomplishing tonne-kilometers in the country's fields. Some 2,000 missilemen are rescuing potatoes in Moscow Oblast. Prior to this they spent months patrolling the streets of Moscow. Surely they have settled accounts with the state in unpaid labor? Not to mention the fact that they do not tear themselves away from alert duty for even a second, sitting underground for 18 days a month. For themselves and for the guy harvesting potatoes.

Maybe the Strategic Missile Forces really should go over to fuller "economic accountability?" Order missiles and nuclear warheads at their own expense and determine according to market science how to make more profitable use of this might? Whom to threaten with it? What to demand?

Joking aside, I feel very bitter that something bad is being perpetrated in our Russian home.

Leningrad Military District Funds To Run Out 1 Nov

LD2409152695 St. Petersburg Fifth Channel Television Network in Russian 1530 GMT 24 Sep 95

[Video report by unidentified correspondent, including remarks by N.F. Artamanov, head of Leningrad Military District Finance Department; passages within quotation marks are recorded]

[FBIS Translated Text] [Correspondent] Everyone knows the Russian Army is in penury; few know how such a state of affairs could have come about; nobody at all knows where to get funds to maintain the army.

[Artamanov] "For 1995, we have only been given funds up to 1 November — up to 1 November! After 1 November, the Defense Ministry does not have enough money."

[Correspondent] It is quite impossible to balance revenue and expenditure in the army budget; of the 400 million rubles needed for food supplies alone in 1995, by 21 September Leningrad Military District had received — and already spent — only 96 million rubles, that is, 24 percent of the necessary sum. The military's debts for utilities, electricity,and fuel are beginning to snowball.

[Artamanov] "Vorkutaugol is supplying us with coal on the slate!"

[Correspondent] The army command has more increasingly to be given an ultimatum — if you don't pay up, we'll switch off or close the valve.

[Artamonov] "It's all the same to an official who gets cut off."

[Correspondent] These are genuine threats, too, as the experience of Plesetsk cosmodrome shows. Furthermore, the difficult economic situation opens the way for the army to clash with civilian services. As yet there has been nobody who has taken advantage of such a situation, but one can sometimes hear talk of it.

[Artamanov] "If the military paid for their electricity, you'd get your bonus."

[Correspondent] There's no need to explain what a terrible thing a hungry, poverty-stricken army is, or officers who have not received their allowances for a couple of months. What can you train a soldier in without practical exercises and without working on real equipment? Machines, fuel, every cartridge costs money. Graduates from air force colleges are afraid to sit at the controls; instead of the statutory 150 flying hours, funds allow only 35 hours a year. And all expenditure is set in advance, in the budget estimates.

[Artamanov] "But nobody is actually handing over any money."

[Correspondent] The Chechen conflict has used up 5 billion rubles of the military budget. But who can now condemn the financing of this war; it's more a matter of high politics than of the local economy .

[Artamonov] "The budget might have been enough, but whether it would have been or not, it's all additional expenditure."

[Correspondent] The Defense Ministry's 1995 debts amount to 3 billion rubles; a deficit is already calculated into the military budget for 1996, which is currently being revised before being submitted to the Duma for consideration. The state just does not have the money to maintain the army. No one knows what will happen in Leningrad Military District after 1 November.

[Artamanov] "I am 100 percent sure, the army has never gone on strike and it will not go on strike. The government must not allow men in uniform to be without any money after 1 November."

Combined-Service Military Exercises Held Despite Debts

LD2409142795 Moscow Russian Television Network in Russian 1100 GMT 24 Sep 95

[From the "Vesti" newscast]

[FBIS Translated Text] In the Moscow Military District combined-service tactical exercises ended today at the Gorokhovetskiy test range. It is interesting that this very responsible undertaking has been held against a background of colossal military debts.

[Begin recording] [Colonel General L. Kuznetsov, Moscow Military District commander] At present I am not paying for gas, light, food, or this military transportation. Nor have I paid the officers 40 percent of their August pay allowances. [end recording]

Nevertheless, the threat of having their water and lighting cut off has not stopped the military displaying a high level of combat training during a training offensive and combat firing exercise. It should be noted that every officer and soldier needs to undergo this serious test of being under fire so that they know what awaits them in real battle. As far as the outlook is concerned for future troop training, it is expected that priority will be given to high-precision weapons.

Federal Assembly

PRES Not To Participate in Duma Confidence Vote

LD2209221795 Moscow INTERFAX in English 2050 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — The parliamentary faction of the Party of Russian Unity and Accord (PRUA) [PRES] will not take part in a vote of confidence in the Russian cabinet at the State Duma's session, Russian Deputy Prime Minister and PRUA leader Sergey Shakhray told a press conference at the end of the first day of the party's congress today.

Shakhray said his party regarded such an initiative as "political farce." As it was previously reported, the required number of signatures for a vote of no confidence in the cabinet had already been collected. The State Duma will fix the date for a vote of confidence in the cabinet at its plenary session on October 6.

The PRUA created a group for initiating a nationwide referendum on adopting the federal law on land. Shakhray proposed that the 1 million signatures required for holding the referendum would be raised along with the collection of 200,000 signatures of voters required for registering the PRUA for participating in the parliamentary elections.

Shakhray said he believed that in the next 30 years the simultaneous holding of governmental posts and parliamentary seats by one person would "do Russia good rather than harm." He said this would inhibit the appearance of a barrier between the government and parliamentarians. However, Shakhray said that, as a person who abides by the law, he would renounce his post in the government if he was elected to the State Duma.

Shumeyko Views Future Role of Federation Council

LD2209221995 Moscow INTERFAX in English 2147 GMT 22 Sep 95

[FBIS Transcribed Text] YEKATERINBURG, Sept 22 (Interfax-Eurasia) — Russian President Boris Yeltsin is ready to sign a decree on forming the Federation Council, parliament's upper chamber.

The decree will be valid until the parliament adopts a relevant law, Federation Council Chairman Vladimir Shumeyko said at his meeting with deputies of the Sverdlovsk Regional Duma in Yekaterinburg today.

Shumeyko arrived in Yekaterinburg on a two-day visit on September 22. He will visit several big enterprises and take part in the congress of the Transformation of Fatherland organization led by Sverdlovsk Region Governor Eduard Rossel.

Shumeyko said he believed that the Federation Council should be formed from the heads of the legislative and executive power organs of the federation's constituent members. He said that then laws approved by the Federation Council "will be adopted by territories and will be implemented in the regions."

However, Shumeyko said that the State Duma was unlikely to manage to adopt the law on forming the Federation Council before December 1995.

When asked about his own plans for politics, Shumeyko, who is not the head of territorial executive or legislative power organs, told an Interfax correspondent that he "thinks about himself in the last event." "I'll find myself somewhere. Life does not end with this," he said. Shumeyko added that he was not interested in receiving the mandate of a State Duma deputy.

Regional Affairs

'Text' of Yeltsin Address to Chechen People

LD2209142395 Moscow ITAR-TASS in English 1348 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW September 22 (Itar-Tass) — Russian President Boris Yeltsin confirmed his adherence to peaceful political methods of resolving problems in the Chechen Republic and urged to seek them through a political dialogue. Follows the full text of the Russian President's address to the peoples of the Chechen Republic received from the presidential press service:

"At this crucial moment I deem it necessary to confirm the adherence of Russia's President to peaceful political methods of dealing with problems in the Chechen Republic, however acute and insurmountable they may seem.

"They include economic and social problems, above all the restoration of housing, compensation payments and, on the whole, the creation of normal living conditions. I promise that Russia's President and government will do their utmost for the solution of these problems as soon as possible. The policy of the federal authorities in the Chechen Republic is clear: 'no' to war, brigandage, omnipotence of bandits. 'Yes' to peace, tranquility, well-being, the freedom of ideas. The core of this policy is defined by Russia's constitution opening broad opportunities for free development of the peoples of Russia.

"This policy may be realised in a political dialogue, negotiations, delimitation of areas and powers between the federal authorities and subjects of the federation. Considerable progress has already been achieved on this path. New prospects are opened by a round-table conference of all political leaders, elders, clergy, parties and public movements of the Republic. The main idea of a round-table conference is the consolidation of peaceful, constructive forces of the Chechen Republic, the renunciation of confrontation and the preparation of elections of bodies of power. We shall be supporting those who choose peace.

"I believe that it is above all for the population of the Chechen Republic to overcome the crisis in Chechnya.

"As President of the Russian Federation I regard it my duty to protect the peace process in the Chechen Republic against intrigues of those who bank on war, who profit from brigandage and who do not treasure the lives of their compatriots. There are such forces, and they have not laid down arms. They stage provocations, attempts at assassination, and circulate rumours, including about plans for deportation of population, division of Chechnya or tearing separate districts apart from it.

"In a word, everything is being done to prevent Chechnya from taking the road of construction. Only those who do not treasure life, health and well-being of their own people can act in this way, those who want unlimited power, the possibility to act as they please and profit from the suffering of ordinary people. But there are quite a few among the population who have been misled.

"I call on these people to come to their senses. Enough blood has been spilt. You, your dear and near need peace, need calm life in order to heal the wounds and restore what has been destroyed, so that old people should have tranquility and young people should have future.

"What has happened in Chechnya is a great disaster, our common disaster, and we shall be overcoming its consequences together. Enormous work is ahead, and the life and the morrow of Chechnya will depend on how we cope with it."

Yeltsin Orders Sufficient Funding for Restoration

LD2209205595 Moscow INTERFAX in English 2008 GMT 22 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 22 (Interfax) — Russian President Boris Yeltsin "has given a strict instruction to ensure the required financing of the restoration operation" in Chechnya after a meeting with the presidential envoy in Chechnya Oleg Lobov, the Russian Security Council's spokesman Vladimir Misyuchenko told Interfax in an exclusive interview.

Misyuchenko said that during their meeting Yeltsin and Lobov had focused on financing the restoration operation in the Caucasian republic.

Lobov told Yeltsin that financing the restoration operation was "unsatisfactory." Less than 50% of the required 980 billion rubles have so far been earmarked.

Lobov said workers of construction companies in Chechnya had not been paid wages for two and a half months. As a result, less than 15,000 out of the 23,000 construction workers, who came to Chechnya, remained there.

The restoration operation was funded only by less than 10% in September.

Lobov emphasized the importance of the financing problem. He said the restoration operation required 150 billion rubles in daily financing.

Misyuchenko said the president and his envoy had also discussed the implementation of the presidential decree on paying compensations to Chechen residents affected by military actions.

Lobov said that the decree was primarily meant to help those who had lost their homes and those who were ready to take part in restoring the Chechen economy.

Misyuchenko said Yeltsin and Lobov had also considered other problems, including the accommodation of servicemen and their preparations for the winter.

Official Claims Chechen Economy Requires R17 Trillion

LD2309114895 Moscow ITAR-TASS World Service in Russian 0702 GMT 23 Sep 95

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow, 23 Sep (ITAR-TASS) — In 1996 it is necessary to allocate 17 trillion rubles [R] to restore the Chechen economy. Petr Surov, deputy chairman of the State Commission for Restoration of the Chechen Economy, made this forecast today at the request of the ITAR-TASS correspondent. He thinks that the restoration work in the republic is planned to be completed in 1997.

Next year, he pointed out, those social sphere facilities which are left, first of all health care, education, and commercial facilities will be restored. The deputy chairman of the State Commission considers that insuring maximum use is made of industrial facilities in order to provide people with jobs is another important task for 1996.

Petr Surov recalled that the program for restoration of the Chechen economy for 1995 which was approved by the government envisions that R5.8 trillion from the federal budget and more than R1 trillion from nonbudget sources should be allocated. At present, he pointed out, there is a shortfall of R719 billion in the financing of the work which has been completed.

Petr Surov thinks that in order to maintain the present speed of work it is necessary to transfer R1.4 trillion in September.

Lobov: Chechen Economic Plans Need Readjustment

LD2309112195 Moscow ITAR-TASS in English 1049 GMT 23 Sep 95

[By Sergey Ostanin]

[FBIS Transcribed Text] GROZNYY, September 23 (Itar-Tass) — The conference of the heads of Chechen local administrations, which is now underway here on Saturday, discusses restoration of the Chechen economy, the social sphere and disarmament of illegal armed detachments.

The forum is attended by the Russian president's plenipotentiary representative Oleg Lobov who is also secretary of the powerful Russian Security Council, Minister for Nationality Affairs and Regional Policy Vyacheslav Mikhaylov and head of federal bodies of power in Chechnya Nikolay Semenov.

Addressing the conference, Lobov called attention of meeting participants to the fact that not a single serviceman of federal forces was killed in Chechnya over the past three days. "This trend should be preserved," he noted.

In the opinion of the plenipotentiary representative, the plan for restoring the Chechen economy and the social sphere needs radical adjustment, above all with regard to emphasising its social edge.

"The 100-page plan has only seven lines devoted to social programmes," he noted.

According to Lobov, federal authorities will accelerate payments of compensation to conflict-stricken population in the near future. "The government appropriates 300 billion roubles at the start," Lobov said.

In the opinion of the plenipotentiary, much attention should be given to restoration of Groznyy which was the hardest hit during combat operations. He reported that 4,000 containers for temporary living were allocated to Groznyy residents who lost their flats.

Chechen youths of conscription age will be also involved in restoration work in the near future, Lobov noted. It is expected that their total number will amount to 7,500.

Speaking of elections in the republic, the plenipotentiary expressed opinion that "they should start from below". "Chechen people should determine a form of self-rule and then to go to the polls with calm conscience," he stressed. Lobov said that the military will gradually hand over functions of administration to local authorities.

Yeltsin, Interior Minister Adjust Chechnya Plan

LD2209154295 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 22 Sep 95

[From the "Novosti" newscast]

[FBIS Translated Text] Interior Minister Colonel-General Anatoliy Kulikov and Colonel-General Andrey Nikolayev, director of Russia's Federal Border Service, arrived in Sochi to report to the president. So far the president has only met with the interior minister. As soon as Anatoliy Kulikov emerged from his meeting with the president he gave an interview to our correspondent:

[Unidentified correspondent] Boris Yeltsin today received Russian Interior Minister Anatoliy Kulikov, who reported to the president on the work of the Interior

Ministry in the first eight months of the year, the measures being taken to reduce crime in the country, and the tasks of Russia's militia in bringing about law and order in Chechnya. [video shows Yeltsin meeting with Kulikov; cuts to show correspondent interviewing Interior Minister Kulikov]

[Begin recording] [Correspondent] Anatoliy Sergeyevich, the president was particularly interested in the situation in Chechnya and the work being done there by your department. What are the main tasks you face at present?

[Kulikov] The president did indeed listen to what I had to say today on the progress in carrying out the instructions he issued at the Interior Ministry collegium meeting that he attended at the end of August and also on progress in fulfilling the planned measures decided by the [Russian] Security Council on 30 August. I reported on the present situation, the difficulties connected with disarmament, our long-term plans, and the need to make some adjustments to the plan. The president agreed, especially since yesterday Oleg Ivanovich Lobov visited him and the president heard what he had to say. We are making some alterations and adjustments, and the president approved these adjustments. [end recording]

Dudayev 'Militants' Gather in Sernovodsk

LD2409193195 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 24 (Interfax) — The accumulation of militants has been registered in the settlement of Sernovodsk on the border between Chechnya and Ingushetia, which is under control of the Dudayev supporters.

Dudayev supporters told Interfax on Sunday they are preparing for hostilities and expect a Russian troops offensive because "the deadline set for the disarmament of militants and volunteers, expires on September 24."

Earlier, two Russian check points were established at the entrance and exit from Sernovodsk.

A spokesman for the Russian headquarters in Groznyy has told Interfax, the Dudayev side formed unilaterally in Sernovodsk in the middle of September a detachment of 350 militants for the protection of villages and other settlements. According to the Russian troops command, this detachment is under command of Kazir Mabukarov who was appointed by Dudayev.

According to intelligence reports by federal troops this detachment carried out punitive operations towards the civilians who oppose Dudayev.

Representatives of the federal command in Chechnya told Interfax that "the situation in Sernovodsk is flaring up."

At the consultations on September 22 at the OSCE [Organization for Security and Cooperation in Europe] mission in Groznyy the Russian and Dudayev delegations reached understanding that the deadline for the disarmament of the Chechen side and the troops pullout schedule must be specified at the meeting of the Special Observers Commission.

According to Russian officers, "apparently, the Dudayev side does not know about those understandings."

General Rules Out Storming Area

LD2409193895 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 24 (Interfax) — The federal troops will not storm the populated area of Sernovodsk on the border between Chechnya and Ingushetia, where 350 Dudayev supporters are concentrated, Commander of the joint federal grouping in Chechnya, Lieutenant-General Anatoliy Romanov told Interfax Sunday.

He said the federal command had not presented any ultimatum on disarmament to this illegal unit's commander Kazir Mabukarov.

Romanov also said that the unit had been set up in violation of the military agreement which provides for organizing security units involving Russian servicemen.

This violation has been recognized by chief of the Dudayev forces' headquarters, co-chairman of the Special Observer Commission Aslan Maskhadov, said Romanov.

He also noted that during the consultations between the Russian and Dudayev delegations at the OSCE mission on September 22, Maskhadov stated that "corresponding measures will be taken against units set up in violation of the military agreement."

In view of this "no redeployment or movement of federal troops in this direction is planned for the near future," he said.

Chechens Accuse Federal Troops of 'Wrecking' Accord

LD2309164395 Moscow INTERFAX in English 1558 GMT 23 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 23 (Interfax) — A member of the Chechen delegation at talks with the federal authorities on settlement in Chechnya, Akhmed Zakayev, accused federal troops of wrecking the military agreement.

Zakayev, the culture minister in the Dudayev government, told Interfax today that "Russia has failed to respect the achieved agreements from the very beginning." He said air strikes and artillery shelling were still continuing all along the line of engagement. He said the agreement's provision on freeing all hostages and prisoners of war under the all-for-all formula had not so far been implemented.

Zakayev said the armed formations led by Ruslan Labazanov and Islan Gantamirov, which are in opposition to Dzhokhar Dudayev, should be considered as illegal military formations. He said that these military formations had not so far been disarmed. He said the Russian side attempted to legalize these formations and disguise them as the municipal police or other law enforcement organs.

At the same time, the federal command and the Committee for National Revival of Chechnya said illegal armed formations of Dudayev's supporters were being legalized under the disguise of units for defending populated areas.

Chairman of the Chechen National Accord Committee Umar Avturkhanov said at the meeting of the heads of Chechen local administrations in Groznyy today that the formation of official law enforcement organs in Chechen populated areas should be accelerated.

Khadzhiyev: Disarmament May Continue Indefinitely

LD2409194195 Moscow INTERFAX in English
1753 GMT 24 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 24 (Interfax) — The problem of disarmament in Chechnya "cannot be solved in one day or even year, it may drag on indefinitely," Prime Minister of the National Revival Government Salambek Khadzhiyev told Interfax in an exclusive interview Sunday.

He said the population of Chechnya kept 50,000 to 60,000 fire arms. Meanwhile, no one has the right to carry weapons except those entrusted by the state to do so, he added.

Speaking about elections in Chechnya, he noted that "elections must be held without delay." "I personally think that elections must be held on November 5 - the date announced initially. However, the date of the elections must be discussed by all political parties and movements, including the Dudayev supporters," he said.

In his opinion, Dzhokhar Dudayev and his supporters constitute a real force, not in the military sense, but in the sense that behind them is a considerable part of the population.

Khadzhiyev opposes the election of Chechnya's president or head of state. "A parliamentary form of government will suit the Chechen people best," he said.

Chechen 'Roundtable' To Attract Dudayev Supporters

LD2409194295 Moscow INTERFAX in English
1753 GMT 24 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 24 (Interfax) — The head of the Chechen National Revival provisional government said at a "round-table" conference Saturday, that the round-table, which represents over 20 Chechen political parties, could not afford to ignore the position of the rebels led by Dzhokhar Dudayev because "serious power is behind them."

"That power is not rifles but support from a considerable part of the population," Salambek Khadzhiyev, head of the National Revival Government, told Saturday's session of the conference.

After Khadzhiyev's speech the conference decided to send a delegation to the rebels to invite them to participate in the next round table sitting scheduled for September 30, an Interfax correspondent reported from the meeting.

The criterion proposed for selecting the delegates was whether they had any "personal ties" with Dudayev and what those ties were.

At Khadzhiyev's motion the conference also decided to appoint a delegation for talks in Groznyy on political and subsequently economic matters.

The leader of a Russian government delegation to current negotiations with the rebels in Groznyy, Vyacheslav Mikhaylov, in comments on Saturday's meeting told Interfax it had been the first time that "the consolidation of forces that stand for constructive principles in resolving the Chechen crisis was demonstrated so vividly."

"I am surprised there were no Dudayev representatives or field commanders at the sitting," he went on. He said that during consultations on Friday at the Organization for Security and Cooperation in Europe mission in Groznyy, senior Chechen delegates assured him they would consider whom to send to Saturday's meeting.

The next round table session is due to discuss shaping new legislative bodies in Chechnya and organizing "democratic" elections to a future supreme regional legislature. It was proposed that a committee be appointed to organize the elections and that members of the former parliament of the Chechen-Ingush Republic be asked to draw up a legal base for the new legislative bodies.

Supporters Reject Roundtable Idea

LD2209221895 Moscow INTERFAX in English 2050 GMT 22 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 22 (Interfax) — Dudayev supporters will not take part in the round table of Chechnya's parties and movements, to be held in Groznyy Saturday, Dolkhan Khozhayev, Chechen archives minister and a Chechen delegation expert, told Interfax.

He said that Dudayev supporters cannot sit at the negotiation table with those who are "guilty of bringing Russian troops into Chechnya and of unleashing this war."

Supervisory Commission Postpones Groznyy Talks

LD2409114095 Moscow ITAR-TASS World Service in Russian 0906 GMT 24 Sep

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Translated Text] Groznyy, 24 September (ITAR-TASS) — A regular meeting of the Special Supervisory Committee in Groznyy has been postponed indefinitely. The meeting has been scheduled to take place today at 1000. However, neither the Russian nor the Chechen sides have arrived for the meeting, according to a representative of the assistance group for the Organization for Security and Cooperation in Europe.

Representatives of the republican military registration and enlistment office, where the commission's meetings traditionally take place, declined to comment. In his turn, Saidkhasan Abumuslimov, deputy head of Chechen delegation at Groznyy talks, has reported that "the Chechen side was prepared to hold the meeting to discuss the disarmament's schedule and procedure." He said that the stumbling block at the recent talks was the issue of the so- called self-defense units. Abumuslimov expressed confidence that illegal armed formations "would not agree to disarm without receiving firm guarantees." The Chechen side regards the creation of the self-defense units a guarantee which was stipulated by an agreement signed by the sides in Groznyy on 30 July.

Teams Pleased With Progress at Chechen Negotiations

LD2209221695 Moscow INTERFAX in English 2146 GMT 22 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 22 (Interfax) — Both Russian and Chechen delegations to the peace talks in Groznyy told journalists Friday they were satisfied with today's consultations in the OSCE mission.

The head of the Russian delegation, Vyacheslav Mikhaylov, said that the delegations managed to agree on some important issues, despite a hard day.

However, Mikhaylov did not specify what issues he was referring to. He said the Special Supervising Commission will finalize the implementation schedule of the bilateral military accord. Russia reiterated its commitment to peaceful means of settlement in Chechnya at the consultations, he added.

The head of the Chechen delegation, Khozh-Akhmed Yarikhanov, said the Friday consultations managed to ease the tense situation in the wake of a series of ultimatum-like statements from both sides.

Chechen Chief of Staff Aslan Maskhadov told journalists that "today the Chechen delegation is sure that the Russian government really has abandoned armed coercion against the Chechen side."

Maskhadov said last week's tensions had arisen due to a lack of mutual confidence.

A deputy head of the Russian delegation, Arkadiy Volsky, remarked that "the sides made considerable progress in the discussion of disputable issues and went to considerable lengths to find a solution to all differently interpreted issues within the next one or two days."

In answer to journalists' questions, Russian commander in Chechnya Lieutenant General Anatoliy Romanov said Russian units had come under fire over 300 times since September 1 and 20 times Friday alone.

Chechen Cochairmen Agree on Statement for Politicians

LD2209153295 Moscow INTERFAX in English 1420 GMT 22 Sep 95

[FBIS Transcribed Text] GROZNYY, Sept 22 (Interfax) — Co-chairmen of the Special Observer Commission Anatoliy Romanov and Aslan Maskhadov have prepared an unofficial statement to leaders of the Russian and Chechen delegations to the Groznyy talks, commander of the federal troops in Chechnya Anatoliy Romanov told an exclusive Interfax interview Friday.

In a two-hour tete-a-tete conversation, Romanov and Maskhadov agreed on what they would say to politicians.

Romanov did not specify their proposals under the pretext that "the unofficial agreement with Maskhadov to make only joint statements for the press is still valid."

Sources told Interfax that the interlocutors discussed disputed aspects in the fulfillment of military agreements, which require decisions by the delegation heads.

The list of these issues was passed over by Maskhadov and Romanov to heads of their delegations at 1 p.m. The delegation heads are meeting at the OSCE [Organization for Security and Cooperation in Europe] mission.

Commenting on his conversation with Maskhadov, Romanov said they have good relations despite the slight aggravation in talks two days ago. "It is easier for military men than for politicians to come to an agreement," he said.

'Emergency Situation' at Oil Refineries Detailed

LD2409233495 Moscow Russian Television Network in Russian 2000 GMT 24 Sep 95

[Video report by correspondent O. Pokrovskaya]

[FBIS Translated Text] An emergency situation has come about at Groznyy's oil refineries. Because there is no electricity, oil cannot be pumped for processing, and over 20,000 tonnes of oil have accumulated in storage tanks, which are full to overflowing. In addition, nobody is guarding this oil, and there is a high risk of terrorist acts. There have already been incidents of arson and explosions. In addition, petroleum products were discharged in the Sunzha River and further in the Terek River during rains. Today their content is 150 times higher than permitted levels. All this has had an effect on the drinking-water supply, but not only that. Large numbers of young sturgeon have died in Dagestan while grain crop yields have fallen by half on irrigated lands compared to preceding years. Now only 1.5 meters of an earth dam remain to keep tonnes of oil in storage, and a single rainfall may cause the dam to collapse. Such a course of events poses the threat of a serious ecological disaster Chechnya, neighboring Dagestan, and the entire Caspian basin.

[Begin M. Arsanukayev, Chechen minister for environmental protection, recording] The main problem is that the program for restoring the Chechen Republic's economy and social sphere does not include a single article on environmental protection. [end recording]

Thus, there are no resources today to monitor or carry out research. Consequently, it is impossible to evaluate the damage caused or draw up a program for future actions. [video shows polluted areas of land and water]

Poll Surveys Attitudes to Chechen Peace Process

LD2209175895 Moscow INTERFAX in English 1507 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — The number of optimists and pessimists with regard to peace in Chechnya is almost the same, according to a recent poll by the national survey center, VTSIOM.

41% of those polled hope that peace will come to reign in Chechnya. Another 40% say there will be renewed violence there. The same indicators stood at 34% and 50% in August.

The first group includes old age pensioners, housewives, unemployed and students, most of them of low education and income, residing in small towns and villages. As a rule, they are supporters of the Democratic Choice of Russia and Our Home is Russia movements, and the Agrarian party.

By contrast, the second group includes managers of various levels and office workers, the military and police.

Most of them are in the relatively high income bracket, had studied at colleges or hold college degrees and are residents of Moscow or St Petersburg. As a rule, they are supportive of the Workers' Self-Management Party, the Congress of Russian Communities and the Yabloko election bloc.

The poll conducted between September 15 and 19 involved a total of 1,527 respondents, according to VTSIOM.

Radio: 'Third Force' May Be Behind Attack on Lobov

LD2509103395 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 25 Sep 95

[FBIS Translated Text] In connection with the increased number of terrorist acts and provocations against Russian troops in Chechnya there has been more talk about a so-called third force which is interested in ruining the talks on a peaceful settlement to the conflict. Arkadiy Volskiy told our radio station that according to Dzhokhar Dudayev's supporters, the third force in Chechnya includes detachments of Beslan Gantemirov and Ruslan Labazanov. According to him there are other forces which have no interest in restoring peace.

[Begin Volskiy recording] Professionals do not rule out that the assassination attempt on the life of Oleg

Ivanovich Lobov, the Russian president's representative, is the work of forces which have an interest in the money allocated by the Russian side ending up in their hands. Law enforcement bodies have serious suspicions, since huge amounts of money are involved here... [changes thought] there are 22 commercial banks operating there and a mass of organizations are also functioning in Chechnya on behalf of Russia that nobody knows about in Russia itself. Oleg Ivanovich has dug too deep in trying to bring about some kind of order in this matter. [end recording]

Economic Issues

Yeltsin Edict Approves Extra Shares of Electric Company

LD2209180395 Moscow INTERFAX in English 1420 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — A decree of Russian President Boris Yeltsin was issued Friday to allow the "Russian Energy System" joint stock company to issue additional shares at an amount of the increase of its charter capital caused by re-estimation of the company's basic assets.

The company is Russia's largest supplier of electricity.

The document seeks additional investment resources for the development of the Russian energy system, says a report of the presidential press service.

Chernomyrdin Seeks Increased Loans for CIS States

LD2209211895 Moscow INTERFAX in English 1941 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (Interfax) — Russian Prime Minister Viktor Chernomyrdin on Friday ordered the Finance Ministry to look for funds to increase loans for other members of the Commonwealth of Independent States (CIS) next year.

The order was a response to a proposal by the Minister for Cooperation with CIS Member States Valeriy Serov, who suggested at a government meeting on Friday that loans to Commonwealth states be increased next year from a planned 200 billion rubles to 750 billion.

The proposal was seconded by enterprise managers, who complained that much of their enterprises' export had been halted due to the insolvency of many of their customers. Bigger loans would make for the resumption of exports, the managers contended.

The proposal was opposed, however, by First Deputy Economics Minister Ivan Materov and Finance Minister Vladimir Panskov.

Materov said Russia should not "overstep the threshold of economic expediency" in its relations with the rest of the CIS. He said the country had no money to spare and that Commonwealth states were normally late with repaying loans.

Panskov urged Russian exporters to look for nonstate money to lend to importers in the CIS.

Chernomyrdin agreed with Materov's and Panskov's arguments but said it was not in Russia's interest to lose markets in the Commonwealth and that the Russian government should try to keep those markets going.

Shumeyko Wants Major Adjustments to Economic Reform

LD2309103695 Moscow ITAR-TASS in English 0807 GMT 23 Sep 95

[By Lyudmila Yermakova]

[FBIS Transcribed Text] YEKATERINBURG, Urals, September 23 (Itar-Tass) — Speaker of the Federation Council (Russian parliament upper chamber) Vladimir Shumeyko voiced support here on Saturday for serious adjustments to Russian economic reform.

Shumeyko noted in a conversation with reporters after visits to two major industrial enterprises in the city — the Kalinin munitions factory and the famous Uralmash combine that factory workers preserved enterprise. However, appropriate conditions are needed for its manifestation, and they should be created by the state. For this purpose, "a change is some bearings" is required, he added. [sentence as received]

The management of the Kalinin factory permitted reporters to visit the assembly shop of special technology for the first time today, showing them two new air defence missile systems, Buk and S-300V. Enumerating their merits, factory manager Vladimir Kazimirskiy admitted with regret that there are no customers for them in Russia. True, they have been found overseas.

In Shumeyko's opinion, only laws can help change bearings in the policy of reforms and turn the state's attention to the producer. At the same time, the speaker expressed confidence that nobody will return to the outdated planned economy.

However, one should not throw overboard everything. The state should preserve reasonable things that economy had. "Our society has already recuperated from the disease of initial democracy," Shumeyko concluded.

Zaveryukha Sees Need For Some Grain Imports

LD2209181195 Moscow INTERFAX in English 1513 GMT 22 Sep 95

[FBIS Transcribed Text] VOLGOGRAD, Sept 22 (Interfax) — The increase of grain purchase prices "to 1 million and more rubles per tonne by the end of this year will not result in a sharp increase in bread prices," Russian Deputy Prime Minister Aleksandr Zaveryukha told Interfax Friday in Volgograd, Russia.

According to him, Russian farmers are selling 1995 grain at 700,000-800,000 rubles per tonne, but only 18-20 percent of bread's retail price is formed by the grain cost. The rest is transportation and trade expenses, whose curtailment will keep bread prices steady.

The 1995 grain yield (65-67 million tonnes, including 30-32 million tonnes of wheat, reported by the Ministry of Agriculture and Food - IF) will be enough to satisfy domestic needs, said Zaveryukha. He does not exclude that "some regions, for instance the Far East, may import grain." Centralized state grain purchases from foreign states were stopped two or three years ago, he added.

The Russian government is not concerned by the recent increase of US futures deals on grain and oil seeds, because it does not plan to send official delegations to Washington for discussion of grain purchases, said the Deputy Prime Minister.

Some Russian officials have, however, admitted Russia may have to import grain this year. First Vice-President of the Roskhleboproduct Federal Contract Corporation Aleksandr Kudelya told Interfax Russia needs 3-4 million tonnes of imported grain.

Three Trillion Rubles Allocated for Grain Purchase

LD2409193695 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] ORENBURG, Sept 24 (Interfax) — The Russian government earmarked 3 trillion rubles for grain purchase to the federal food fund, Russian Deputy Prime Minister Aleksandr Zaveryukha, who is in charge of the agricultural-and-industrial complex, told Interfax today.

He said this money would be borrowed from commercial banks "at a full banking interest rate" and would be repaid as a state debt.

Zaveryukha said there was "nothing dangerous in the fact that a little more than 500,000 tonnes of grain have so far been purchased to the federal fund meant for the needs of the army, the Interior Ministry, the country's most northern regions, instead of the required 8.6 million tonnes." He said the country would "replenish this fund following grain consumption, as it was done in 1994." Last year, Russia initially purchased to the federal food fund 4 million tonnes of grain instead of the planned 11.8 million tonnes.

Zaveryukha said "there is no need to mortify capital." He said the country needed to have only the state grain reserves. He said Russia still had 5 million tonnes of grain from the 1994 harvest and had already collected this year about 60 million tonnes of grain from the planned 65-67 million tonnes (against 81.3 million tonnes in 1994 and 116.7 million tonnes in 1990).

List Approved of Enterprises To Be State-Owned

LD2309203995 Moscow ITAR-TASS in English 2032 GMT 23 Sep 95

[By Igor Polskiy]

[FBIS Transcribed Text] LONDON, September 24 (Itar-Tass) [dateline as received] — The Russian government approved a list of strategic enterprises whose shares will be owned by the state, First Vice-Prime Minister Anatoliy Chubays said.

In an exclusive interview with Itar-Tass on Saturday, Chubays said the government will release the list on Monday [25 September].

He described the move as the "most critical step" which had long been prepared in an atmosphere of "arguments and discussions."

Chubays stressed that Russian President Boris Yeltsin has also approved the list which includes about 3,000 enterprises. "This also means that what is not in this list, and that is about several dozen thousand enterprises, can be privatised," he said.

The government has also prepared another list which includes "fantastically attractive enterprises, many of which are of international importance, ... including in the oil sector, ferrous metallurgy, transportation, river and sea ports and many others. This is a fantastic, exciting list for Russian and foreign investors," he said.

Government To Focus on Debtor Enterprises

MM2209155095 Moscow IZVESTIYA in Russian 20 Sep 95 p 1

[Article by Irina Savvateyeva: "Government Intends To Stop Bad Management and Theft at Companies"]

[FBIS Translated Text] The government is preparing measures which will simplify the procedure for confiscating funds from the accounts of companies which owe money to the government. If it is true that the prime cause of failures to make payments to the state budget is "bad management and theft" (the opinion of Petr Mostovoy, director of the Federal Administration for Insolvency [Bankruptcy] Affairs), then the investigation of this topic should prove highly fascinating.

The background to the issue is as follows. Very unpleasant things have been happening in the last few months in the run-up to the elections — pensioners are breaking windows, coal miners are striking, defense workers are agitated.... Everyone is dissatisfied with a government which does not pay up on time. But the government is not paying out money to the budget-financed sector because the taxpayers are not paying up: Budget arrears stood at 23.5 trillion rubles [R] as of 1 August and had reached R28 trillion by 1 September. Just half this sum would be enough to settle accounts with the indignant budget sector.

First Vice Premier Anatoliy Chubays then set about making an example of the leaders of the departments which were most "distinguished" in this respect, namely the Ministry of Fuel and Energy and the Ministry of Railways, from his position within the Russian Federation Government Commission for Improving the System of Payments and Settlements. The companies in those sectors, together with machine builders and metallurgy workers (giving a total of 46 culprits), are responsible for half of all budget nonpayments — precisely the sum which the pensioners, coal miners, and defense industry workers lack. Nonpaying companies are being promised bankruptcy, directors dismissal, and ministry leaders personal accountability.

But what is surprising is that the matter does not end with a showdown in the form of exemplary punishment. Not ten days passed before the press was assembled again. The authorities are clearly bent on gaining good publicity for their campaign against "bad management and theft": The leadership of the Federal Administration for Insolvency (Bankruptcy) Affairs, the State Taxation Service, and the tax police have filed very scrupulous accounts. Everything suggests that Mr. Chubays has threatened them too with inescapable personal accountability.

These, then, are the first results.

An accord has been reached with several major oil companies in default of payment that they will clear their debts by the beginning or middle of October. The Lukoil holding company will settle the accounts of its subsidiaries, having obtained funds from the sale of securities (R1 trillion debt). While Noyabrskeneftegaz will supply oil to settle its R605-billion dues. The tax police reported the creation of special task forces which have already gone out to the regions with the greatest budget arrears. They intend to work particularly actively in Moscow and St. Petersburg. While the taxation service reported its own success in the pretty onerous task of carrying out swoops to confiscate cash.

"Taxpayers accumulate huge amounts of cash today," State Taxation Service Chairman Vladimir Gusev observed, "while not paying their taxes."

Mr. Gusev reported that tens of billions' worth of cash is being confiscated in some oblasts.

However, it is clear that the problem of budget arrears cannot be solved by one-shot measures. It is essential that the legislative and normative base be improved. Journalists were informed that a draft presidential edict which should streamline the procedure for recovering funds from companies' hard-currency accounts is being prepared. (Noyabrskneftegaz kept large amounts in hard-currency accounts while running an enormous debt to the budget.) Moreover, measures are being prepared which will deny oil companies the opportunity to shift their hard-currency earnings into the accounts of their subsidiaries and agents, who then fail to pay taxes on oil extraction. Urgent changes are being made to the unwieldy mechanism for clearing arrears through companies' assets, although the problem here cannot be solved solely by creating norms.

"Psychological difficulties do exist," Vladimir Gusev admitted to journalists. "How do you choose which fixed capital to take from a company? There are organizational problems too: The seized assets have to be kept somewhere, transferred for sale...."

However, the main problem confronting the authorities in the fight against budget arrears — namely the prevailing "30-70" system which allows companies to reserve 30 percent of their resources for wages and other urgent needs and which is the main source of budget arrears — cannot be solved by one-shot swoops. Chubays has not, by all accounts, managed to abolish that. It is said that another bitter struggle took place in the corridors of government over it. However, certain compromise decisions were made which will somewhat restrict inveterate nonpayers' room for maneuver. Petr Mostovoy reported that the phased elimination of this system is under way.

It is intended to scrap yet another powerful source of budget nonpayments — the current mechanism for supplying fuel and lubricants to the countryside, or "commodity credit," as it is known — by the end of the year.

On the whole, those personally accountable have promised to clear all the arrears of the fuel and energy complex and the Ministry of Railways by also applying such drastic measures as dismissing directors and bankrupting companies. In any event, the outcome of the battle between the government and "bad management and theft" will provide a very instructive lesson from the political standpoint too, as it will demonstrate the real extent of the executive authorities' strength in its direct management of the economy.

Ministry Favors Single Depository For Securities

LD2209210095 Moscow INTERFAX in English 2013 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (FIA-Interfax) — The Russian Finance Ministry plans to create a single depository for all state securities on the basis of the Federal Treasury next year. It said it will abandon the practice of distributing state securities through authorized banks.

The head of the securities and stock market department, Bella Zlatkis, told the State Duma Friday that the structure of internal borrowing will dramatically change as the share of medium-term loans will substantially rise from 7.8% now to 20.5% in 1996.

Zlatkis told a 1996 budget working group that the Finance Ministry will stop to distribute treasury bonds by the end of this year and redeem all of them by April 1, 1996.

The Finance Ministry will design a new financial instrument, consistent with the single depository system, to replace treasury bonds introduced in mid-1994 to tackle non-payments.

The ministry plans to raise the share of treasury bills to 30% to 40% and introduce new financial instruments, including a "gold" loan and savings bonds for the population, Zlatkis said.

Bank Staff Predicts Costly U.S. $100 Bill Exchange

954E1461A Moscow MOSKOVSKIY KOMSOMOLETS in Russian 13 Sep 95 p 1

[Unattributed report: "Be Selective in Exchanging Your $100 Banknotes"]

[FBIS Translated Text] The exchange of $100 banknotes for a new design, due next year, will most likely cost Muscovites an arm and a leg.

As we were told in the Central Bank of the Russian Federation, despite the fact that in the United States old banknotes will be exchanged for new ones free of charge, our commercial banks undoubtedly will charge a commission, citing additional transportation costs and other expenses. Since the Central Bank of the Russian Federation cannot prohibit this, it will only recommend that the banks limit their commissions to 1-2 percent of the total amount of banknotes exchanged. However, the Central Bank staff does not rule out that commission rates may turn out to be considerably higher, up to 20 percent.

The only thing one can advise Muscovites to do in such cases is not to rush ahead with the exchange, since the idea is to take the old $100 banknotes out of circulation as painlessly as possible. In time, clients will be able to choose the banks that will charge the lowest commission for the exchange.

Relations Among Major Banks 'Sharply Exacerbated'

954E1460A Moscow DELOVOY MIR in Russian 12 Sep 95 p 1

[Report by Stepan Kotov under the "Banks" rubric: "'Middle Class' Unites"]

[FBIS Translated Text] Moscow — The banking crisis, the peak of which fell at the end of August, produced a result long forecasted by specialists. Relations were sharply exacerbated between the eight largest banks which set the tone in the Association of Russian Banks, and medium-size banks, which, by the way, comprise the overwhelming majority. The confrontation was deepening as the situation in the banking market exacerbated: Government aid was going only to the largest banks; they, in turn, taking advantage of the situation, attempted to put the squeeze on their smaller competitors, or even assume control over them.

This was also the subject of a "roundtable" discussion held at the MFA [Ministry of Foreign Affairs] Press Center by representatives of average in terms of capital size and most stable Moscow banks (Optimum-Bank, Yugri-Bank, Gloria-Bank, and others). The initiative came from Suprimex-Bank. Among other things said at the roundtable was the following: The situation is extremely difficult; the only option left for medium-size banks is to drop association membership or, as a last resort, form their own faction in it. Journalists present at the roundtable asked the representatives of the largest banks some biting questions. For instance: What should be the criterion of a bank's proportional weight: The size of its assets or its trustworthiness...? They never got an intelligible answer.

Twelve medium-size banks that participated in the roundtable formed a special club in order to respond jointly in a more precise and timely manner to the upheavals in the banking market. This is important not only for the bankers but also for consumers, because it is these medium-size banks that conduct the bulk of business with small and medium-size companies and businessmen in Moscow and the Moscow suburbs. In the opinion of Suprimex-Bank President A. Drobinin, in the event the large banks subjugate all the others, they themselves will run into difficulties. World practice shows that it is medium-size banks that serve as shock-absorbers when the financial market is in turmoil.

Specialists Forecast Poor Harvest, Rising Prices

954F3508A Moscow ARGUMENTY I FAKTY in Russian Sep 95 No 38, p 6

[Article by Tatyana Korostikova and Veniamin Vylegzhanin: "Are We Facing a Famine? Russia Has Not Had Such a Poor Harvest in 35 Years"]

[FBIS Translated Text] This year's severe drought gave rise to gloomy forecasts both in our country and abroad. A sharp rise in already high prices for basic foodstuffs is forecast. "As a result," the BBC said, "the number of undernourished Russians will reach 75 million. Specialists are watching the course of events in horror."

And in fact, according to preliminary estimates, this year we will have 20 percent less grain than last year. Among the contributing factors are not only the weather conditions but also reductions in the planting area (reduced each year by 2 million hectares, or 3 to 5 million tonnes of grain), and declining yields— because of the lack of money, plants are less "fed" with mineral fertilizer (147 kg per hectare in 1990, 24 kg in 1994), less protected with pesticides, etc.

Of course, Russia is not the only country growing wheat. But our traditional partners will raise prices this year because world reserves of grain have diminished substantially. The situation is exacerbated by the state's strained finances and Russia's debt to the U.S. Department of Agriculture for previous purchases.

All of this undoubtedly will affect food prices. Because grain is a key product. It is not just bread—it is also cereals, starch, beer, molasses, and vodka. As well as meat and milk, because 75 percent of feed concentrate is made up of grain.

Both the Federal Food Corporation and the Institute for the Study of the Economic State of the Market, however, disagree that the situation is catastrophic. A. Kolenko, the corporation's deputy chief of the plant-growing administration, said that we will have enough grain for bread, cereals, and macaroni. This requires a supply of 25-30 million tonnes of grain. And by now (with 70 percent of the grain harvested), 26 million tonnes are already sitting at farms and 7 million tonnes are in storage at grain procurement facilities. True, procurement is proceeding slowly. Or rather, farmers these days are asking the world price for grain—$170 per tonne. Their explanation for this is the sharply increased prices for equipment and energy. While in 1990 one could buy a combine for 40 tonnes of wheat, now one needs 400 tonnes for the same purchase. But even with that, said A. Kolenko, the grain producer's share in the cost of a loaf of bread is 6 percent. The rest is added by drying, storage, milling, baking, and so on.

Still, we will not be able to manage without imports. A. Manelli, chief of the Administration for Analysis and Forecast of Agriculture and Food Supply of the Institute for the Study of the Economic State of the Market, estimates that approximately 7-10 million tonnes will be purchased between mid-1995 and mid-1996.

Generally speaking, nobody has any doubt that we will have enough grain. The question is how much prices will rise. A. Manelli figures that by the end of the year a 400-gram loaf, which currently costs 1,800 rubles [R], will cost R2,500 on account of inflation alone. Plus another R500 will be added by the poor harvest factor. The total: R3,000. (In other specialists' estimates—up to R4,000). Overall, in his estimate, prices for foodstuffs will rise by 22-23 percent.

"Of course, the situation that is emerging is quite difficult," says Ye. Serova, chief of the agrarian policy laboratory of the Institute of Economic Problems of the Transition Period. "Given the poor harvest, we should expect some rise in grain prices, but so far there are no serious grounds for panic. If the government manages to resist the pre-election offensive of agrarian lobbyists and avoids artificially boosting procurement prices, the situation will not be as dramatic.

"We have information that domestic commercial structures are purchasing grain in both foreign and domestic markets on a scale comparable with that of grain procurement for federal stocks. There are not many of them, but....if they decide to engage in price- fixing and monopolize the market, they will have us all at their mercy.

"I think, however, that things will not go that far. The grain market is currently the most lucrative, so middlemen have begun to flock to it. Which creates a competitive environment, which always results in lower prices. This year something we have always lacked finally materialized: A market infrastructure emerged around agriculture. That is why the peasants are in no hurry as yet to sell the grain. They will sell it to whoever offers not just more money but also offers it right away."

According to the forecast of the Ministry of Economics Department of Prices, for the remaining period until the end of the year food prices will continue to grow by 5-7 percent a month. Bread prices will probably rise at a rate closer to the higher value in that bracket. The eight-month results (according to State Committee for Statistics data) confirm this. Over this period prices overall rose by 96 percent. Prices for nonfood items rose by 80 percent, and for services—160 percent. Food prices overall rose by 95 percent. Within that, prices for meat increased twofold, sugar—twofold, flour—2.4-fold, and bread and bakery items—2.5-fold. Grain products lead this list due to stable demand for them. Beyond this, our indigent citizens have nothing to fall back on.

Official Cites Banks' 'Risky' Policies

MK2309132395 Moscow SEGODNYA in Russian 21 Sep 95 p 4

[Unattributed Financial News Agency report: "More Than 300 Banks Are in a Difficult Situation"]

[FBIS Translated Text] More than 300 Russian banks are at present in a difficult situation, but their condition is not linked with the August interbank market crisis. This was announced by Olga Prokofeva, director of the Russian Federation Central Bank Oversight Department. According to her, the banks have encountered liquidity problems owing to their risky policy and also in connection with the country's general economic difficulties. Prokofeva said their founders "have no possibility and often no wish" to invest in the development of these commercial banks. Olga Prokofeva stressed that, contrary to press reports, she did not cite any specific figures about the number of licenses that will be revoked in the near future, nor did she comment on liquidity problems of individual banks. "It was only noted that the number of banks whose licenses the Central Bank will have to revoke may run into the dozens," she said. According to the Central Bank, this year the licenses of 83 commercial banks have been revoked.

International Affairs

Belarusian President Arrives in Kiev on Brief Visit

LD2309134095 Moscow ITAR-TASS in English 1331 GMT 23 Sep 95

[FBIS Transcribed Text] KIEV, September 23 (Itar-Tass) — Belarusian President Alyaksandr Lukashenka arrived in Kiev from Sochi on a brief working visit on Saturday.

During the visit, Lukashenka is expected to have talks with Ukrainian President Leonid Kuchma.

Lukashenka is scheduled to leave for Minsk on Sunday.

Kuchma Discusses 'Slavonic Triangle'

LD2409180195 Kiev UT-1 Television Network in Ukrainian 1700 GMT 24 Sep 95

[FBIS Translated Text] This morning Belarusian President Alyaksandr Lukashenka held his second face-to-face meeting with Ukrainian President Leonid Kuchma. The sides then held an extended meeting. At the talks Ukraine was represented by Kuchma, Dmytro Tabachnyk, head of the president's administration, and Deputy Prime Ministers Vasyl Yevtukhov and Roman Shpek. The talks focused mainly on resolving trade and economic issues. In particular, they agreed to appoint specific deputy prime ministers who would be responsible for further improving relations between the two countries. On the Ukrainian side this responsibility was given to Vasyl Yevtukhov. Speaking about his attitude to proposals by the Belarusian president to create a so-called Slavonic triangle, Kuchma stressed during the brief news conference that neither Ukraine nor Belarus had grounds for talking about building new structures without first resolving economic issues. The presidents expressed their firm intention to find ways of overcoming customs barriers in the new future and reach a trade agreement without hindrances.

Kuchma Rejects Slavic Union

WS2509110195 Kiev INTELNEWS in English 0140 GMT 25 Sep 95

[Report by Halia Pavliva]

[FBIS Transcribed Text] Kiev, Sep 24 — President Leonid Kuchma, citing Ukraine's non-aligned status, rejected Belarus President Aleksander Lukashenko's calls for a Slavic Union between Ukraine, Belarus and Russia.

Kuchma, emerging from two days of meetings with Lukashenka in Kiev, rejected the proposed union, saying that Ukraine is, according to the military doctrine it passed upon independence, a nonaligned state.

Kuchma also said that "not a single country has presently any ground to form new treaties or blocs."

The talks also underscored differences in the coverage of the event by mass media of Ukraine and Russia.

According to Russian Public Television, Lukashenka, who is known to favor a so-called Slavic Triangle, arrived in Kiev with the aim of discussing a draft federative agreement for the three countries.

Ukrainian Television, however, said that the visit was dedicated to the solution of trade and economic issues.

As a result of the meetings, it was decided that a Ukrainian- Belarusian free trade agreement will be entered into in the near future.

The Ukrainian side noted that a customs union between Russia, Belarus and Kazakhstan will limit trade with third countries, including Ukraine.

The two presidents also decided to conduct such meetings regularly — not less than once every two months.

"We have clearly determined that everything should be based on economics, on individual interests," said Lukashenka at Boryspil airport upon the conclusion of the visit.

"There is a good example of such cooperation — the European Union," he said, adding that, like the EU, his proposed union should proceed to political integration once its economic goals are attained.

Ukrainian presidential administration chief Dmytro Tabachnyk said, commenting on the Lukashenka visit, said that the Belarusian president admitted that the Belarusian agreements with Ukraine are being adhered to much better than the Belarusian-Russian ones. According to Tabachnyk, "the Ukrainian-Belarusian trade turnover increased by 25 percent over 1994."

Tabachnyk took part in the negotiations on the Ukrainian side which also included Deputy Prime Minister for fuel-energy complex issues Vasyl Yevtukhov and Deputy Prime Minister for economic issues Roman Shpek. Control over execution of the Ukrainian-Belarusian trade-economic accords has been laid upon Yevtukhov.

Kuchma, Lukashenka Discuss Economic Issues

LD2409190995 Kiev UT-1 Television Network in Ukrainian 1700 GMT 24 Sep 95

[FBIS Translated Text] A few minutes before his aircraft left Borispol airport, the Belarusian President [Alyaksandr Lukashenka] summed up the results of his talks with Ukrainian President Leonid Kuchma by saying:

[Begin Lukashenka recording, in Russian] We clearly determined that everything should be based on the economy and people's lives. There is a good model — the European Union — where mutual relations are normal and sensible. If we could achieve our needs in inter-state relations within this framework then I think we could begin to talk about the other stage in the political system of our collaboration. [end recording]

The president of Belarus was accompanied by the head of the presidential administration, Dmytro Tabachnyk, and other officials.

[Begin Tabachnyk recording, in Russian] During the talks, Belarusian President Alyaksandr Lukashenka said that he had personally acquainted himself with the documents of the Belarusian Government and that cooperation and the fulfillment of mutual obligations between Ukraine and Belarus were considerably better than, let's say, between Belarus and the Russian Federation. The trade turnover had increased by 25 percent compared with 1994. Cooperation was being set up between Ukrainian and Belarusian banks. This is also an important aspect. The Belarusian ruble is in demand at the Ukrainian Interbank Currency Exchange and similarly Belarusian entrepreneurs are willingly buying up the Ukrainian karbovanets in order to carry out this turnover. It was noted that trade and economic obligations between our two countries were being fulfilled without great shortcomings. It was also agreed that such concrete meetings, focusing on economic issues, should be held at least once every two months so that, as Lukashenka said, people could see that there is a normal process of cooperation and work. [end recording]

Udovenko Sees European Integration as Top Priority

LD2309185995 Moscow INTERFAX in English
1559 GMT 23 Sep 95

[FBIS Transcribed Text] KIEV, Sept 23 (Interfax - Ukraine) - Integration into European institutions is the top priority of Ukraine's foreign policy, Ukrainian Foreign Minister Hennadiy Udovenko told Interfax - Ukraine Saturday.

At the same time, Ukraine "is developing active cooperation with the CIS," he stressed. However, "there are limits to the integration," in particular the need to "ensure Ukraine's sovereignty, territorial integrity and the inviolability of borders," said Udovenko.

He said that Ukraine has its own view of cooperation within the CIS. According to the foreign minister, "CIS will work if it really is a commonwealth of independent states." "However, it will be something else if one will tell another what to do and how to do it," said Udovenko.

Udovenko said that the Ukrainian side is thoroughly studying the Russian President Boris Yeltsin's decree on Russia's strategic policy towards CIS countries.

Official: Kiev Not To Join CIS Customs Union

WS2509105195 Lvov INFOBANK in English
0753 GMT 25 Sep 95

[From the "News Service" feature]

[FBIS Transcribed Text] On September 22 a working meeting of the CIS's International Economic Committee began in Moscow where a Ukrainian delegation headed by Deputy Minister of Foreign Economic Relations and Trade Viktor Hladush, is also taking part. Participants in the meeting will discuss drafts of a concept for a CIS Arbitration Court, a plan for the creation of a Payment Union, and inter-governmental agreements regarding the activities of CIS collective agencies involved in economic coordination. Plans have also been made to consider issues surrounding the operation of the joint television company Mir and of the Council of Information Agencies in Countries of the CIS.

The Ukrainian delegation has brought with it proposals concerning gas transit mechanisms within the boundaries of the CIS. Oleh Zahornyak, head of the Ministry of Foreign Economic Relations and Trade's information administration, told an INFOBANK correspondent that Ukraine has no intention of signing any agreements regarding a CIS customs union or the television company Mir, and as regards other issues, talks and consultations will be held. Mr. Zahornyak said that Ukraine is one step ahead of Russia in joining the World Trade Organization and its entry into a CIS customs union would serve as a setback in this respect.

UN Representative Zlenko Outlines Current Tasks

WS2209122095 Kiev VSEUKRAINSKIYE VEDOMOSTI in Russian 19 Sep 95 p 3

[Interview with Anatoliy Zlenko, Ukrainian permanent representative in the United Nations, by Lidiya Korsun; place and date not given: "Anatoliy Zlenko: 'Good Foreign Affairs Experts Are Not Eager To Become Diplomats'" — first two paragraphs are VSEUKRAINSKIYE VEDOMOSTI introduction]

[FBIS Translated Excerpt] *The United Nations celebrates its 50th anniversary this year. This international organization, as everyone knows, was set up immediately* *after World War II with the primary aim to "save future generations from the calamity of war, and to establish trust in basic human rights and the dignity and value of the human being." This is what its programmatic documents state.*

On the eve of the 50th session of the UN General Assembly, Anatoliy Zlenko, Ukraine's permanent representative and ambassador extraordinary and plenipotentiary to this organization, has agreed to answer our correspondent's questions.

We Should Not Be Deluded By Our Achievements

[Korsun] Anatoliy Maksymovych, what strategic tasks is the diplomatic mission you represent currently performing?

[Zlenko] Our strategic and tactical tasks are subordinated to one thing — the consolidation of independent Ukraine's place and role in UN operations, and its confirmation as a sovereign state able to constructively cooperate with other countries in settling international crises and developing new policies. To put it briefly, our goal is to consolidate our country's position in a difficult and changing world.

The preparations for the world meeting on social development, which was attended by the Ukrainian president, was an important stage in our work. During this forum, which took place in Copenhagen in March 1995, Leonid Kuchma met with UN Secretary General Butrus Ghali. A constant political dialogue between the Ukrainian president and the UN secretary general has been established since then, which makes it possible to find the optimal decisions on an entire range of issues. Additionally, our mission secured the participation of a Ukrainian delegation in the 49th session of the UN General Assembly, at which the Ukrainian president made his first appearance.

At this session, by the way, a Ukrainian was elected chairman of a special political committee, which enabled Ukraine to be represented in the UN General Committee. We then also managed to reduce the volume of our contribution to the UN regular budget from 1,87 percent (1994) to 1.09 percent (1997). All in all, our contribution will be reduced by $86 million during the course of three years. Nonetheless, we should not be deluded by our achievements. We are racking our brains to continue the search for a solution to the issue of our debts to the United Nations, which, unfortunately, are still quite high.

"I Felt the Hot Breath of the War"

[Korsun] You, perhaps, have also many headaches in connection with the events in Bosnia-Herzegovina. The Balkan crisis is the center of UN Security Council's attention, not without reason.

[Zlenko] This is indeed our everyday concern. Although Ukraine is not currently a member of the Security Council, our participation in the UN peacekeeping operations binds us to constantly follow the work of this body and actively participate in its meetings. Our primary concern is the security of our large personnel from the two Ukrainian battalions deployed in Bosnia and Croatia.

[Korsun] From numerous reports, we know about the difficult situation in which our servicemen from the UN peacekeeping battalion have ended up in connection with the deterioration of the Bosnian conflict, as well as about your contribution to the freeing of hostages captured by the Bosnian Serbs in response to NATO's air strikes in June, which almost became a tragedy for the UN peacekeeping personnel. Could you provide more details on our government's actions?

[Zlenko] Our direct responsibility is to defend the interests of our country by using the political tools of the United Nations, and in this particular case — to protect our personnel who arrive in the "hot" land of former Yugoslavia with only one aim — to alleviate the suffering of the civilian population who fell victim to the brutal war.

In 1994, I had an opportunity to visit Bosnia-Herzegovina and feel the hot breath of the war. Hungry orphans begging for leftovers at military barracks and canteens, and people struggling to cross a street under constant bombardment and precise sniper fire are still standing in front of my eyes. Death, suffering, and fear have become everyday companions of innocent people.

Can one remain indifferent if issues concerning the settlment of the conflict in former Yugoslavia and, for example, the protection of peacekeepers, are discussed by the Security Council? We attempted to use all the possibilities to free our peacekeepers taken by the Bosnian Serbs this June, and we succeeded. Our efforts exerted in June during the events in the eastern enclaves of Zepa and Gorazde were also crowned by success and freeing of our servicemen. As everybody knows, they were taken hostage by both the Bosnian Muslims and Serbs. They tried to use them as human shields. We were particularly shocked by the Bosnian Muslim's ultimatum and threats that they might execute completely unarmed people from the 240th Ukrainian battalion if NATO air forces did not shell the Bosnian Serb's positions. Of course, our mission immediately took vigorous measures for preventing a possible catastrophe. At our initiative, this issue was discussed by the Security Council, and the council chairman issued a statement demanding immediate release of the Ukrainian peacekeepers. A wave of condemnation of this inhumane act had been growing, which eventually took effect. So, this was not only our achievement. We know about the efforts exerted by the Ukrainian Foreign and Defense Ministries and the Ukrainian Embassy in Croatia. [passage omitted]

[Korsun] How does our government assess diplomats working abroad?

[Zlenko] Speaking about the material aspect, the state pays diplomats according to its current capabilities. Although people understand that it is currently hard to meet their needs in full, certain individuals resign, being tempted by higher salaries. Those who remain are genuine professionals who have found a vocation in our work. There is the following paradox: Although the profession of a diplomat has always been considered prestigious, it is very hard for us to find replacements for those who resign. Well-trained foreign affairs experts prefer to work in foreign firms, since they receive much higher wages there and have many opportunities to go on business trips abroad, so they are not eager to accept proposals to switch to the diplomatic service. [passage omitted]

Nobody Is Born To Be An Ambassador

[Korsun] Where is our diplomatic personnel currently "hammered out?"

[Zlenko] Naturally, in higher educational institutions. There are still not enough foreign affairs experts, however. We offer jobs to representatives of other professions as well, such as historians, lawyers, economists, philosophers, and foreign language experts. Of course, they are examined in certain fields, including the knowledge of foreign languages. They are then retrained through special classes organized by the Ukrainian Foreign Ministry at the Kiev State University International Affairs Institute.

[Korsun] What does our new educational institution — the Diplomatic Academy — represent?

[Zlenko] I will not conceal that it was a pleasure for me to learn that the issue of the Diplomatic Academy had finally been resolved. Such academies exist in many countries. This educational institution will train experts in international relations and foreign economic ties. As a rule, graduates from various colleges will study at the Academy. As far as I know, the Academy should begin operating this year. [passage omitted]

[Korsun] What is your mission currently doing, and what are your plans for the future?

[Zlenko] We have concluded the preparations for the current session of the UN General Assembly. Preparations are under way for Ukrainian President Leonid Kuchma's participation in the October meeting celebrating the 50th anniversary of the United Nations. We are continuing to monitor the situation in former Yugoslavia, and to deal with issues concerning the protection of the Ukrainian peacekeeping personnel.

We have many plans and, correspondingly, much work. The multilateral diplomacy we conduct through the United Nations is time-consuming, and keeps all of constantly alert, since we are expected to react to any event or prevent certain international developments.

Kuchma: Stance on Black Sea Fleet Remains Unchanged

LD2409195095 Moscow INTERFAX in English 1753 GMT 24 Sep 95

[FBIS Transcribed Text] KIEV, Sept 24 (Interfax - Ukraine) — Ukrainian President Leonid Kuchma has said that his republic does not change its stand on the Black Sea Fleet's sharing. In an exclusive interview with Interfax - Ukraine in Kiev on Sunday he said: "I am in no way against the provision that the Russian Fleet's base is in Sevastopol."

However, said Kuchma, this does not mean that Ukrainian sailors must leave Sevastopol for Donuzlav.

At the same time, the Ukrainian president said that the Ukrainian-Russian relations are not that normal as I would like them to be. "It is very difficult to understand who is right and who is wrong," said Kuchma.

The Ukrainian president voiced hope that "we shall reach understanding in this issue because both sides are interested in this." "There is no alternative to this and confrontation will benefit neither side," said the president.

The problem of the Black Sea Fleet's sharing was also discussed at today's meeting between Kuchma and Belarusian President Alyaksandr Lukashenka, who is staying in Kiev for a working visit.

BSF Marine Battalion To Be Moved to Krasnodar Region

LD2309190295 Moscow INTERFAX in English 1603 GMT 23 Sep 95

[FBIS Transcribed Text] SEVASTOPOL, Sept 23 (Interfax - Ukraine) - The Black Sea Fleet's battalion of marines will be moved from Crimea to the town of Temryuk in Russia's Krasnodar region in the next few days, a source close to the Black Sea Fleet's headquarters told Interfax - Ukraine.

The same source said river motor boats, which the Black Sea Fleet received after the division of the Izmail brigade, had already been moved to Temryuk.

The same source said that the 810th brigade of marines, currently deployed in Crimea, ought to be withdrawn from this area before November 15 this year under the Treaty on reduction of conventional armaments in Europe.

National Affairs

OSCE Official Says Crimean Tatars Need CIS Help

LD2209211595 Moscow ITAR-TASS in English 2017 GMT 22 Sep 95

[FBIS Transcribed Text] SIMFEROPOL, September 22 (Itar-Tass) - Crimean Tatars need help from the CIS countries and the world community, High Commissioner of the Organization for Security and Cooperation [OSCE] for minority affairs Max van der Stoel said here today. He was addressing a press conference held after the end of the roundtable meeting on "Problems of reintegration of the deported peoples in Crimea".

Stoel noted that a number of governments are insufficiently informed of the fact that their help is vitally needed. The High Commissioner is of the view that many politicians have formed the opinion that their is no point in directing help to a region, where the political situation is unstable. In this context it is very important that all contradictions between the leaderships of Ukraine and Crimea should be finally resolved.

Crimea Asks Kuchma To Amend Executive Authority Decree

LD2209212795 Moscow INTERFAX in English 2005 GMT 22 Sep 95

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] The Crimean legislature has made a decision to ask Ukrainian President Leonid Kuchma to make amendments to his decree of August 19 1995 On the State Executive Bodies of the Autonomous Republic of Crimea.

The decision was supported by 55 of the 78 in attendance.

Article 1 of President Kuchma's decree says that until a new Ukrainian constitution is adopted the Ukrainian Prime Minister is appointed by the Crimean legislature with the Ukrainian president's consent. The Crimean parliament suggests that such a rule should be in effect until a new Crimean constitution is adopted.

The deputies also asked to delete from the decree articles two through seven, which concern the formation of district administrations in Crimea, for instance, the formation of district administrations instead of the executives of local Soviets. The Crimean lawmakers say that article 59 of the constitutional treaty between the Ukrainian parliament and president of June 8 gave Crimea the right to independently decide all questions within its area of competence, including the way executive bodies in Crimea should operate.

IF Note: Under the presidential decree of August 19 all members of the Crimean government are appointed and dismissed by the Crimean Prime Minister by coordination with the Crimean parliament. Article 1 of the presidential decree of March 31 1995 that made the Crimean Cabinet subordinate to the Ukrainian government was cancelled.

Kuchma Commemorates Folk Hero Khmelnytskyy

LD2309202695 Kiev Radio Ukraine World Service in Ukrainian 1615 GMT 23 Sep 95

[Speech by President Leonid Kuchma at opening of monument to Ukrainian folk hero Bohdan Khmelnytskyy at Khmelnytskyy's birthplace in village of Subbotov, Cherkassy region, on 23 September — recorded]

[FBIS Translated Excerpt] Dear compatriots, esteemed guests: looking at the greatness of Ukrainian history, the actions of millions of generations of our wise, heroic and long-suffering people, and its best representatives, Ukraine is rich in names, which make up the nation's pride, personify the homeland, and enter the world pantheon of distinguished creators. The name of the legendary hetman Bohdan Khmelnytskyy, the 400th anniversary of whose birth we are now marking as a statewide celebration, as an important world event, belongs to the most extraordinary and most distinguished of them. And it is significant that the celebrations are beginning in Subbotov, the hetman's cradle. Bohdan Khmelnytsky's childhood and adolescence passed here. Here he acquired his passion to serve his homeland, toughened himself spiritually and physically, and began his thorny path upwards.

The magnificent figure of Ukraine's hetman has for too long been viewed in an oversimplified, and sometimes primitive way. Meanwhile he was not only a Cossack leader, but a great statesman, who tried to awaken the honor and dignity of his people, and did everything possible to reunite the Ukrainian lands, and struggled against foreign enslavement until his last breath.

Historic merit, a lofty rise in prestige, support for and trust in the hetman, and recognition of Bohdan Khmelnytskyy by a broad range of states have occurred because together with his people he restored Ukrainian independent statehood, whose beginnings were in Kiev Rus. It was he who led the distinctive Ukrainian people into the family of independent, civilized peoples, strengthened their national idea, and opened up a broad future for them.

Therefore it is proper that the Kievo-Mohylyanskyy Academy, when greeting the hetman, called him a defender and liberator of the people, and the Jerusalem Patriarch likened Bohdan Khmelnytskyy to the Roman emperor Constantine the Great and gave him the title Prince of Rus. Continuing his predecessors' work, Bohdan Khmelnytskyy did much to create a new Ukrainian army and Ukrainian diplomacy.

One of Bohdan Khmelnytskyy's most significant actions in its consequences was his treaty with the Muscovite kingdom. The Pereyaslav Council of 1654 was not a simple event, but at the same time a turning point in the hetman's life and the history of our people.

Politicians assess this date in various ways now. But after dispensing with the numerous historical myths, which this event has gathered over 340 years, we can state that the Pereyaslav Council gave birth to the new Ukrainian state, and the legal essence of the treaty with the Muscovite Tsar was the legitimate state severance from the Polish-Lithuanian Republic, and Ukraine's entry into interstate relations as a subject of the international law of that time. [passage omitted]

It is not the hetman's fault, but an incomprehensible human tragedy that after his death the government of the state ended up in the hands of weak and shortsighted successors, each of whom searched for only one ally, seeing the other neighboring states only as adversaries. They spoiled Bohdan's great cause with their quarrels and small-minded tricks.

This historic lesson ought to be remembered by many of our contemporaries who strive to live in only one dimension, artificially divide their environment into us and them, and see political compromise as a step toward betrayal, and not toward Ukraine's stabilization. For Bohdan Khmelnytskyy the main thing was not to serve one's own's interests, but Ukraine's national interests.

I am convinced that we should act namely thus, and in building the Ukrainian state, we should remember that Bohdan Khmelnytskyy was a national hero to his contemporaries, that songs and epics were composed about him, that a whole era in Ukraine's history was named after him. Our past is a great glory and a great ruin. So let us be worthy of the glory, and not allow a new ruin of the human spirit and the social order. Let us consolidate an independent, democratic and prosperous Ukrainian state. And may the life's deeds of an outstanding son of the Ukrainian people, Bohdan Khmelnytskyy, inspire us.

Supreme Council Ratifies European Anti-Crime Treaties

LD2209140895 Kiev UNIAN in Ukrainian 1300 GMT 22 Sep 95

[FBIS Translated Text] Kiev — The Supreme Council of Ukraine on today passed a number of laws on Ukraine's accession to European anti-crime treaties. They are, as follows:

The European convention on mutual assistance in criminal matters (1959);

The European convention on the supervision of conditionally-sentenced or conditionally-released offenders (1964);

The Convention on the transfer of sentenced persons (1983);

The European convention on extradition (1957); and

The European convention on the transfer of proceedings in criminal matters (1972).

Supreme Council Chairman Oleksandr Moroz underlined their ratification was particularly important ahead of a Council of Europe meeting that will decide on Ukraine's admission.

Parliament Calls For Cabinet Account on Budget

LD2209184895 Kiev UNIAN in Ukrainian 1530 GMT 22 Sep 95

[FBIS Translated Text] Kiev — On 22 September the Ukrainian Supreme Council adopted a resolution requesting the Ukrainian president to call to account officials in the Ukrainian Cabinet of Ministers guilty of not implementing the law of Ukraine "On Ukraine's state budget for 1995," and report to parliament on this by 10 October. The issue is the nonimplementation of Article 37, which dealt with the formation of a stabilization fund for Ukraine's fuel and energy complex.

The deputies rejected a draft resolution proposed by the Supreme Council Commission for Issues of the Budget to form a stabilization fund through 15 percent deductions from petrol and diesel fuel sales in retail trade, and 5 percent deductions from the sale of rolled metal, ironmongery, and steel pipes.

Parliament Adopts Stock Market Policy

LD2209153995 Kiev UNIAN in Ukrainian 1300 GMT 22 Sep 95

[FBIS Translated Text] Kiev — On 22 September, the Supreme Council of Ukraine adopted a concept for the operation and development of the stock market in Ukraine. The document envisages the establishment of an integral, transparent, liquid, effective, and fair stock market. To ensure the unity of national policy in that area, the parliament set up a special body — the Securities Commission. The single system of the National Depositary, with its functions defined in the concept, will safeguard the integrity of the stock market.

In an interview with journalists, Oleh Taranov, chairman of the Supreme Council of Ukraine economic policy and national economy management committee, said that the document's fundamental clause is the establishment of a national stock exchange, with the National Bank of Ukraine to act as its clearing bank and the stock market to be subject to state regulation.

Union Chief Warns Against Political Protest Actions

LD2209215895 Kiev Radio Ukraine World Service in English 2100 GMT 22 Sep 95

[FBIS Transcribed Text] Oleksandr Stoyan, chairman of the Ukrainian Trade Union Federation [UTUF], issued a warning message to Ukrainian trade unions, which the media circulated on Thursday, 21 September. The UTUF leader's message was reportedly prompted by the recent attempt on the part of the All-Ukrainian Association of Workers and its grassroots to instigate its members to join actions of political protest staged and (?orchestrated) by both the leftists and right-wingers, with their demands going as far as changing the nation's state political order. Mr. Stoyan's message warned trade union members against taking part in such actions and urges trade unions to stick to legal means of attaining political goals and the idea of social partnership in order to improve the working people's living standards.

Shmarov: No Military Facilities Being Built

LD2209215695 Moscow INTERFAX in English 2135 GMT 22 Sep 95

[FBIS Transcribed Text] Kiev, September 22 (Interfax - Ukraine) — 99,9 per cent of assets allocated by Ukraine's budget for military construction are used now to build housing for the servicemen. No military facilities are being built in Ukraine now, Ukrainian Defence Minister Valeriy Shmarov said.

Just a small part of the funds is aimed at the "maintenance" of already existing objects, Shmarov told a meeting on the occasion of the 50th anniversary of the 70-th Defence Ministry's building administration.

According to Shmarov, the construction of housing is to expand the next year. At the same time he stressed that "finally, everything depends on the national budget and financial situation in the state".

Over 50 years of its activities, the 70th building administration has constructed 300 apartment blocks, 84 cultural and educational establishments, 547 barracks and school-buildings, 6 military sanatoriums and 5 military cantonments.

Kiev Seeks Help for Nuclear Accident Research Center

LD2209192395 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 22 Sep 95

[FBIS Translated Text] The Ukrainian Government has appealed to the world's governments for scientific, technical, and financial support to set up and maintain an international center to research nuclear and radiation accidents. The appeal notes, in particular, that Ukraine has felt the whole tragedy of a nuclear disaster, and a corresponding decision was made on the possibility of withdrawing the Chernobyl nuclear power station from operation by the year 2000; but our country is not capable of carrying out such a large-scale program independently, because this requires great economic expenditure. The Chernobyl disaster, the appeal goes on, graphically demonstrated the unpreparedness of even industrially developed states for dealing with the aftermath of an accident on this scale. In view of this, the Ukrainian Government considers it extremely important to ensure that all aspects of the experience of dealing with the aftermath of the Chernobyl disaster are studied in the interests of humanity. To this end it is proposed that an international center is set up to research problems of nuclear and radiation accidents.

Economic Issues

Marchuk Welcomes Moves Toward Financial Stability

LD2209215795 Moscow INTERFAX in English 2133 GMT 22 Sep 95

[FBIS Transcribed Text] Kiev, September 22 (Interfax - Ukraine) - Ukrainian Prime Minister Yevheniy Marchuk has expressed his support for the moves towards financial stabilization of Ukraine's economy.

"The policy of support for financial stabilization will be continued and carried out in a tougher way", he said today in Kiev during a meeting with Klaus-Peter Mueller, Co-Chair of the Ukrainian-German working group for financial issues.

According to the Prime Minister, both his and the Ukrainian President's speeches at the All-Ukrainian Conference of Economists "in no way mean a change of the course of reforms". He says, it was pointed out in both speeches that "the activities of the executive power should become more efficient as regards the problems of production". "But it does not mean that the problems of monetary system and financial stabilization have become of a lesser importance", he underlined.

Marchuk emphasized that "all those aspects are specified in the program for government's actions, which has been signed today and tabled in Verkhovna Rada".

The Prime Minister has also said that in the course of the recent Cabinet meeting, many regional heads and deputies were demanding an unplanned emission for a purchase of fuel for winter. "All this was accompanied by a social coloring and even a social blackmail. But I said that there would be no additional emission with me, and that regular one would be cut. Things appeared not that frightening then, and the possibility of a way out emerged", he remarked.

"Of course there will be a social and political pressure by opponents of such a course, but I personally am not afraid of it", the Prime stated.

K.-P.Mueller, a member of the Kommerzbank board, said that as regards a simple person, inflation is the greatest deceit, since that person, in contrast to a rich one, cannot protect himself from it.

State Financial Support For Factories 'Ineffectual'

LD2209165995 Moscow INTERFAX in English
1420 GMT 22 Sep 95

["State Support Of Factories Ineffectual In Ukraine" — INTERFAX-UKRAINE headline]

[FBIS Transcribed Text] KIEV, Sept 22 (Interfax - Ukraine) - The mechanism of financing Ukrainian factories is as good as inoperational, Anatoly Kinakh, deputy prime minister in charge of the industry, told an organizational meeting of the Inter- Departmental Commission on Factory Bankruptcy and Restructuring.

According to Kinakh, the factories received as little as 11 percent of the state financial support planned for 1995.

A decision was made to provide 56 trillion karbovantsi in support of 226 factories in various industrial sectors but aid worth 6 trillion karbovantsi reached as few as 41 factories, Kinakh said. He called for determining the sources of support and for tax benefits for such transactions carried out by banks that make long-term credits available.

An official in the government press service told Interfax - Ukraine that the speakers at the meeting wanted to have a smooth mechanism for implementing bankruptcy legislation if factories are to be overhauled and restructured.

The Ukrainian president had ordered the State Property Fund and the Economy Ministry to draft proposals on the setting up of a Bankruptcy Agency which would initially report to the State Property Fund.

The commission members believe that the agency should report to the government and have the powers of a ministry because bankruptcies would be dictated by the government's social, investment, crediting and financial policies which are beyond the committee's competence.

Increase in Real Wages, Drop in Production Assessed

WS2509105995 Kiev KIYEVSKIYE VEDOMOSTI
in Russian 21 Sep 95 p 6

[Report by Oleksandr Shtolko: "There Is a Paradox: Production Decreases, People's Incomes Rise" — first paragraph is KIYEVSKIYE VEDOMOSTI introduction, diagrams not included]

[FBIS Translated Text] **It is accepted that people's well-being is in direct proportion to the decrease or increase in production output. In Ukraine, however, other tendencies have emerged. Given the preservation of only little more than 50 percent of 1990 industrial production output, real wages rose constantly and reached (before the hard currency fever) the level of $50 equivalency.**

In February-July, the real income of the people departed from the actual state of things in industry. If the index of real incomes in January stood at slightly more than 73 percent — against the 90.55- percent of production output — that would immediately trigger a reduction in real income; in February, however, the real income of the people began to rise steadily. In January, the income level stood at 103 percent, while production stood at 101 percent. In April, however, the picture changed sharply. The income level increased by another 0.5 percent (103.5 percent), while production output dropped to 92.7 percent. Relevant figures in the following two months also did not differ much: The income level in May was 105.8 percent against 99 percent for industrial output; in June — 112 percent against 98.5 percent. Monetary assets of the people increased by almost 120 percent, while production output did not change.

Between September and December 1994, there was little reduction in the income level — from $862.2 million to $637.3 million — that was caused by the increase in the dollar exchange rate from 54,000 karbovantsi [K] to K150,000. By July, incomes again increased more than 1.5-fold. According to some forecasts, in August the income level will not exceed a karbovantsi sum equivalent to $1.4-1.5 billion. Hence, despite the jump in the dollar rate, the situation will not deteriorate; on the contrary, it could even improve. On the one hand, this is not good. Some K208 trillion are outside of the banking turnover — K4 million per capita, including the aged and children. One in every four people tries to exchange 100 percent of his excess karbovantsi for convertible currency, and one in every two people tries to exchange 20 percent. On the other hand, we can state the following: Society's self-organization mechanisms have begun to operate and trigger the improvement of the socioeconomic situation in the country, regardless of the situation in industry, and without any close links to it.

What conclusions could be drawn? **Viktor Lisitskiy**, adviser to the Ukrainian National Bank chairman, thinks that an opportunity to more calmly adopt decisions regarding the future structural reconstruction, and at the same time, not be rigidly dependent on the living standards of the people has emerged in Ukraine. If the state has no money, it is possible, generally speaking, to do without it, although individual enterprises are in a very difficult situation. [as published] One, however, must choose between granting credits to individual enterprises, thus triggering the suffering of millions of pensioners, invalids, and budget-sector employees, and minimizing local conflicts by granting an opportunity to earn money to those people who can do so, and not by taking advantage of inflation and living at the expense of pensioners.

Manager Sees Energy System Close To Collapse

LD2309164095 Kiev UNIAN in Ukrainian 1300 GMT 23 Sep 95

[FBIS Translated Text] Donetsk region — Because the government has not resolved the problem of mutual arrears, the Donbasenerho state enterprise is providing free electric power to consumers; Donbass consumers have become indebted to Donbasenerho by more than 8 trillion karbovantsi, Donbasenerho's manager, Ihor Smirnov, told the UNIAN news agency.

According to him, at present Donbasenerho does not in fact have the funds to renew fuel reserves at power stations or create the necessary reserve of coal, fuel oil and gas for the fall-winter period.

Ihor Smirnov believes that "only one extreme way out of the situation remains - to somehow find approximately $500-600 million to purchase fuel for the power stations."

"The Cabinet of Ministers," he stressed, "should urgently find a way of saving Ukraine's energy system from collapse."

As is well known, Ukraine's Supreme Council did not approve amendments to the law of Ukraine "On Ukraine's state budget for 1995" concerning formation of a stabilization fund for the fuel and energy complex, and only addressed a request to the Ukrainian president to call to account those officials guilty of not implementing the state budget.

Agrarian Deputies Discuss Situation, Reform

WS2209111595 Kiev SILSKE ZHYTTYA in Ukrainian 14 Sep 95 p 1, 8-9

[Unattributed interview with People's Deputies Vasyl Kornelyuk, Volodymyr Yehudin, and Rostyslav Chapyuk; place and date not given: "Agrarian Policy Is Implemented by People Who Know the Agricultural Sector Only From Bakeries Shop Windows"]

[FBIS Translated Text] A group of well-known agrarian deputies, including members of the "Agrarians for Reform" faction's Coordinating Council Rostyslav Chapyuk, Vasyl Kornelyuk, and Vasyl Yehudin visited the SILSKE ZHYTTYA editorial office immediately after the session at which agrarian legislators passed an appeal to the Ukrainian president and prime minister. Just to remind our readers: This document was presented in a rather sharp form. In particular, it pointed out that "regardless of the Ukrainian Supreme Council's numerous requests directed to appropriate ministries and departments, concerning the need to use determined measures for overcoming critical phenomena in the agricultural complex, specific and effective actions oriented toward securing the harvesting campaign of 1995, and strengthening the material-equipment basis were not undertaken in practice." It appears that the Ukrainian president's instruction of 12 June 1995 "On Urgent Measures Concerning the Development of the Agro-industrial Complex [APK]" "produced no positive changes." Measures are not being undertaken to resolve the issue of procuring animal husbandry and plant-growing sector products under the state contract; or to draft the Ukrainian president's edicts concerning such important issues as the protection of interests of domestic commodity producers and the corporatization of agricultural machine-building sector."

Also critically assessed were the activities of governmental organizations which are aware of the catastrophic situation in the village and "instead of undertaking effective actions, they widely advertise the so-called economic agrarian reform, which has a destructive impact on the situation in the agricultural sector." The authors of the appeal put the question point-blank: How long is the state's agricultural sector going to remain in a deadlock for a way out of which nobody is looking? They proposed that the answer to this question be discussed at the Ukrainian Supreme Council's emergency plenary session, with the obligatory participation of the government....

It was precisely from the discussion of this document that the conversation behind a makeshift "round table" began. I would like to point out in advance that the meeting between deputies and journalists of SILSKE ZHYTTYA was held under very informal circumstances. The meeting acquired a peculiar tinge not just because it was held after the end of an official working day and over a cup of coffee, but because of the extreme frankness of the participants in the meeting concerning the assessment of the current situation in the state and its APK. One of the lawmakers suggested that "deputy evening meetings" held in SILSKE ZHYTTYA editorial office become routine. Frankly speaking, we, SILSKE ZHYTTYA journalists highly appreciate such an idea, for we regard it as a sign of respect for the newly-born Ukrainian agrarian newspaper which has been rapidly increasing its circulation among subscribers, and has acquired new supporters and advocates in independent Ukraine's various social groups.... However, let me go back to the official part of the meeting.

Vasyl Kornelyuk, member of the Supreme Council Permanent Commission for Issues of Legal Policy and Judicial-Legal Reform, member of the "Agrarians for Reform" faction's Coordinating Council.

The reason for the exacerbation of the crisis in the APK, in my opinion, lies in the fact that we — being engaged in talking about reform — have forgotten about reform itself and its essence. Speaking about the standpoint of agrarian deputies, we do not regard as a priority the issue of reforming ownership relations or agriculture's economic system. In our opinion, those are not the most important aspects. There are three pillars on which agrarian reform rests, and through which it is actually implemented. The first pillar is comprised of taxes and fees within the APK. This concerns the entire sector, regardless of forms of ownership. Individual farmers, kolkhozes, as well as state-run or cooperative enterprises have been put in poor conditions, given that not a single commodity producer can withstand the tax burden. The second aspect is parity of prices. One can travel all around Ukraine and still fail to find a normal spare part for an agricultural machine which would cost less than 1 million karbovantsi [K]. Meanwhile, the price for one liter of milk has gone down from K15,000 to K9,000. Tell me, what kind of reform can be implemented under these kind of conditions? The third aspect is agricultural commodity producers' participation in privatizing the processing industries and in establishing a mutually advantageous chain "field-processing enterprise-store."

Why do we raise the issue this way? We say: in the past, there was a monopoly of processing industries. However, state bodies could exert a certain influence on it. Now, imagine that a dairy factory or a meat processing plant becomes private property. Forgive me, but in that case neither the state nor commodity producers will be able to influence it. Then we will have some monopoly!

Aware of the fact that the problems of the three aforementioned components are not being resolved, the architects of reform — to distract public attention — came up with the idea to immediately privatize land. However, there is no basis for this! Everything is being done to destroy what we have and no replacement is being suggested.

Believe me, as long as the issues of taxes, payments, parity of prices, and ownership of processing enterprises remain unresolved, nothing will change in agriculture. Or perhaps I am wrong?

Volodymyr Yehudin, member of the "Agrarians for Reform" faction.

For 11 years I was manager of a vegetable-growing enterprise which included both producers and processing facilities, as well as 265 stores engaged in selling their products. I learned the functioning of that mechanism from the inside. I fully agree with Vasyl Kornelyuk. Yes, we did create a great number of monopolists. The former Supreme Council passed the land lease law with the consecutive purchasing of land. Following that, we lost a significant number of our processing enterprises, including those in the meat-and-dairy sector. We are now drafting the law on the privatization of the APK to normalize certain tenets of the aforementioned law. In particular, we are establishing a mechanism for reevaluating capital stocks to dissolve funds invested by natural and legal persons; to make enterprises more expensive — which means to equalize the rights of commodity producers and processing enterprises, to bring all of them to the same starting point. This is the primary matter. Second: my colleague spoke properly about the parity of prices. Indeed, there has never been parity of prices. It has always been believed that a piece of iron is something important, while foodstuffs are not. However, this is not true. Currently, farmers are still being slashed by the banking system, persisting nonpayments, and loans.

I recently met the APK's leadership in Crimea. Just imagine: For a factory which produces ecologically pure foodstuffs for children, interest rates are six times higher than credits themselves. How can such an enterprise exist? An enterprise should purchase, process, and then it should make a profit. Earlier, when credits were issued at an interst rate of 2 to 3 percent, people somehow managed to make ends meet. Currently, when interest rates rose to 250 percent, and there are even markups of up to 300-400 percent, enterprises were forced to their knees.

[SILSKE ZHYTTYA] What role, for instance, does the "Ukrayina" bank play?

[Yehudin] The most direct one. I have been working in the APK for over 25 years. I was a manager of a sovkhoz, a director of an amalgamation, I once headed the Agricultural Ministry in Crimea, and I know very well the situation surrounding this bank since I have been involved in its establishment.

The "Ukrayina" bank has been established for the village's sake and at the agricultural sector's expense. Currently, it is 85 percent private. Naturally, it is operating to its shareholders' advantage. Therefore, we can no longer expect that it will do anything for the farmers' advantage. In principle, the bank has resolved its problems by using legal regulations corresponding to that period of time; however, not in farmers' interests. The "Ukrayina" bank no longer resolves the agricultural sector's problems. Frankly speaking, I believe that as for the banking system, we have to return to the old version — to withdraw 51 percent of shares and return them to the state, to follow the reprivatization path and resume the state management of the banking network, because otherwise this locomotive will not go any farther.

[SILSKE ZHYTTYA] We remember the situation when the government asked the "Ukrayina" bank for credits to finance the harvest-95 campaign. On that occasion financiers put forward such conditions to the agricultural sector that only a small number of the farms could receive credits.

[Yehudin] No, banks will issue credits, but on what terms! As we know, farms are working in specific conditions. Why are rural areas twice as poor as urban ones? Because they sell crops and other plant products once a year, and what is more, they sell them at certain prices, while runaway inflation continues throughout the year. Therefore, the money earned for crops sold devaluate by fall or winter. Nothing decent can be bought for this money at the end of the year. Therefore, the "Ukrayina" bank, which is familiar with the peculiarity of the agricultural economy, has used the situation to its own advantage. Frankly speaking, the essence lies in the fact that all our experts — former deputy heads of national, oblast, and rayon agricultural committees who know the state of affairs very well — currently work in the "Ukrayina" bank. They have fully used everything they had once received from the agricultural sector. In a manner of speaking, current times make everyone try to survive on his own.... One thing I am sure of: If we do not bring order to the banking system then the APK will face a collapse.

[SILSKE ZHYTTYA] The Ukrainian president undertook appropriate measures in this direction by signing the edict on the division of our three main banks between them and the state.

Rostyslav Chapyuk, member of the "Agrarians for Reform" faction's Coordinating Council.

I have no idea what he meant to achieve....

[Yehudin] First of all we have to find the faulty mechanism in the banking system. In the past, we always found a way to call someone to order. Currently, we have to find those who are guilty, too. It is not a return to the old times and to administrative methods. It is usual work conducted to correct miscalculations.

[Chapyuk] I am surprised by another thing: many presidential edicts currently appear, as well as regulations by the Supreme Council, and governmental resolutions. However, all of them encounter the deaf ear of those, who, as a matter of fact, should support the agricultural sector. We are increasing apathy among the population and disbelief in the possibility of overcoming the crisis.

[Kornelyuk] We discussed the president's appeal to farmers on our way to the SILSKE ZHYTTYA editorial office. The document is meaningful and interesting to a certain point. However, all the preliminary work on crediting, determining purchase prices, and making advance payments has not been conducted! Ivan is looking at Petro; the Cabinet of Ministers is looking at the Ministry of Agriculture. Meanwhile, the ministry was long ago deprived of its rights. The ministry no longer supervises anything. All this has led to a situation when neither a concept nor agrarian policy have been developed in the country up to now. Unfortunately, the president's team also lacks people who would convince the president in the fact that the policy which so far has been pursued in the agricultural sector is erroneous, damaging, and even dangerous for Ukraine, since it divides the village and leads the entire economy to a catastrophe.

I will let myself recall something from the past. I was born in a hamlet. My father still lives there.

[SILSKE ZHYTTYA] Some time ago a full-fledged clamorous campaign for strengthening the agricultural sector was launched.

[Korolyuk] I remember it very well! We were fined then, we were scared, and finally we were forced to move from our residences. But tell me: What did a man do primarily, did he destroy the old house or did he build a new one? Of course, first of all he built a new house, while carpenter tools, bricks, slate, and all the rest that could serve the man were brought from the old house to the new. As for us politicians, we have been primarily ruining everything, and continue to ruin it.

[SILSKE ZHYTTYA] What path do you suggest that we follow if we want to avoid the old mistakes?

[Kornelyuk] The president named it when he returned from Germany. He said that we have no personnel who can wisely pursue our policy. We have to begin with personnel. The presidential retinue is engaged in gossiping and all it does misleads the president. I am not afraid of saying that if Leonid Kuchma continues to listen to those whispers then he will be lost as president. He may become "another Kravchuk."

I used to work as a presidential representative in a rayon and, in addition, as chief of a rayon executive committee. It was a purely agricultural rayon. Within a period of two years Leonid Kravchuk summoned us three times for "great assemblies." He would endlessly speak about what he saw in Austria, Australia, or Great Britain. However, there was no time to discuss what we should do here, in Ukraine. I was once chosen to speak about this issue on behalf of the audience. Leonid Kravchuk answered hastily, just to pay lip service. Recently, when Kravchuk became an ordinary people's deputy he came up to me in the lobby and said: "You know Vasyl, you were right." "Why?" — I asked. "Because — he answered — you were the only one who raised that issue. Then, after the meeting, around 20 people visited my office trying to convince me of the opposite. Since they have an opportunity to come to my office on more than one occasion, then I listen to them more than to anybody else." Do we not have the same situation currently? Let a people's deputy see the president or telephone him. The assistants have fenced the president so that nobody can be let in. The worst thing is the fact that agrarian policy is being pursued in Ukraine by people who know the village only from bakery shop windows.

[SILSKE ZHYTTYA] Is it only a personnel problem?

[Chapyuk] Primarily, yes. After the Bolshevik Party was banned, I was one of the people involved in the rebirth of the Ukrainian Peasant Party; I stood at its base, traveled a lot in villages and rayon towns in the provinces. Do you know what invigorates me? Ukraine's potential; the fact that it possesses the world's richest humus soil, and powerful human potential. I would like to repeat: Ukraine has excellent people and excellent soil.

[Kornelyuk] Excuse me for interrupting you, but ask the president or the prime minister whether they are able to find at least one farmer who would work to his disadvantage, which means that he would sell one liter of milk for K10,000 and buy a nut or bolt for K1 million. Ask them whether such a farmer is able to survive at least one month. He would not have a chance to survive in any other country. However, here, in Ukraine, they have existed for five years now.

[Chapyuk] The problem lies in the fact that there has always been a monopoly of power and staff in Ukraine. However, this monopoly leads to decay. Someone said once that any power is amoral, but absolute power is absolutely moral. A strong manager relies on strong staff. A weak manager relies on people who are weaker than he is. There is one more reason why we cannot select strong managers — there is no demand for them on the part of strong political forces. So far, people who have been in Ukraine's top echelons of power were accidental individuals. If it had not been Kravchuk, his place would have been taken by Ivashko or somebody else. Do you think that there would be significant changes? Of course, not. We do not use methodology in selecting staff; we do not have a system of educating, designating, and retraining staff. When political associations appear comprised of people with common interests, then perhaps we will be able to create a system of favorable laws for selection of staff and favorable circumstances for selecting the most skillful organizers. These organizers will best promote the crystallization of the programs of associations themselves, and of course, their leaders. I would like to underline that I am speaking about leaders, and not about commanders. Ukraine does not need commanders. All of them, ranging from hetmans to general secretaries, have always led the country to catastrophes.

[Kornelyuk] I would like to point to another side of the problem. This is a fact. Our capital is covered by a network of big shops, private stores, and small shops, for which excellent conditions have been created. Ask [Kiev] Mayor Kossakivsky why he does not sell Kiev's trading facilities on the same terms to kolkhozes surrounding the city. Farmers could bring considerably less expansive milk, butter, and meat to the capital. However, for some reason it is inconvenient for the "staff." Therefore, farmers are simply not allowed into the city.

[SILSKE ZHYTTYA] Our paper recently published materials in containing the following: "Kiev people like milk of the 'Danylivska' agrarian company; however, the farmers deliver milk at gun point". The article reports how racketeers fight competition on the part of villagers....

[Kornelyuk] Yes, it is true. Racketeers have launched an onslaught against farmers. Unfortunately, they do not know that farmers have no possibility to offer bribes. Farmers are currently beggars. Are private farmers in a better situation? They should not be defamed, but supported, since they are currently one on one with the system, the state, and the market. Unfortunately, many state leaders simply do not understand the situation. The president's appeal can serve as a vivid example. Having failed to observe all the time frames for conducting the harvest campaign and repaying credits to farmers, having all levers of exerting influence on regional leaders, the administration limited its activities to a mere populistic appeal. In addition, it was done in accordance with a very old scheme. The point is that farmers in the past did not react to instructions; however, they were scared, for beside Stalin there was also Beria. Currently, even this does not exist. All the reforms are being implemented the other way around in Ukraine. In the past, there were state banks — "Prominvestbank," "Ukrayina," "Oshchadbank." They were recently simply given away, and not sold. All the pirates and buccaneers of the world have not made such fortunes as did banks in our independent state. Ukraine, and the agricultural sector in particular, have been working — in practice — for banks during these four years. If, for instance, world banks' profits are 2 percent, here, in Ukraine, banks make 100-percent profits. Because they have support. Whom did Leonid Kuchma meet during his first days in the presidential office? Did he meet workers or farmers? No, he met financiers. He also granted them the most favored status.

[SILSKE ZHYTTYA] Is this not too absolute and orthodox a statement?

[Chapyuk] I do not think so. We also support reform and privatization, but without stealing Ukraine's national wealth and land. Those who work on the land have the right to it. We support the idea that nobody should reap profits from farmers' hard work, and that nobody should manipulate them. The same concerns processing enterprises. As a matter of fact, through buying-out and lease farmers are being deprived of their commodities; they are also separated from the facilities for selling and storing their commodities. They created such a situation that farmers again have to beg, so to speak, that their products be purchased at any price, since they do not want to lose them. However, neither God nor the weather give us anything for free. It was said a long time ago that the agricultural sector is like a plate — if one wants to eat from it one has to put something on it. We are not doing this. We have not realized yet that the agricultural sector is really the foundation of both the state and the economy. I believe that not only the agricultural minister or the prime minister, but even the president himself should deal with the APK's problems and think the way agrarians think.

I am referring to banks. It is true that farmers used to work for the sake of the state, industrialization, space research, and currently they are working for the banks' sake. What shall we do with banks? This is what should be done: If they waste funds they should return them. If one wants to organize a bank, one can do so, but with his own money and not the money embezzled back in the times of Kravchuk, Plyushch, and others.... Incidentally the president also belonged to this team....

[SILSKE ZHYTTYA] One of the interlocutors said that during this year the president, the Supreme Council, and the Cabinet of Ministers have issued plenty of edicts, resolutions, and decisions. Which of them are better and which are worse?

[Kornelyuk] Personally, neither my colleagues nor I have any objections to the documents concerning agrarian issues. They are excellent. It is a pity, however, that none of them have been implemented. Not only does nobody supervise their implementation, but no one is even interested in them. For instance, there was an edict on accelerating privatization of the APK. This is a specific and wise document which should be implemented, because the loud voices shouting that people's deputies want to deprive farmers of land are not true. Furthermore, it is not the case that farmers do not want land. There was a decree issued some time ago by the Cabinet of Ministers on private ownership of plots of land surrounding houses. Do you have any idea how much land was privatized and sold then? A sorry amount. Objective factors hampered the process. Excuse me, but farmers are not stupid people. They understand very well that land is like a young wife. Land should be well cultivated, sown, very well kept, and then it will bear fruit abundantly. However, how can we sow land if there are no seeds, fertilizers, chemicals to protect plants, equipment, or many other things? We have no equipment to harvest crops and bring them from the fields.

If we create more normal conditions for farmers, then the privatization process will be conducted much faster.

For instance, I, a people's deputy, have 1.2 hectares of land. I threshed seven quintals of wheat and five quintals of rye last year, and I still live on it. Frankly speaking, I would like to take some more land. There are many farmers who think the same way. The point is that there is a demand for land for developing the agricultural sector, for haymaking.

When the aforementioned issues are resolved, then we can launch the process of reforming the system of land ownership. What is my version of resolving this issue? The state cannot again abandon land as it did with industrial enterprises. At least 33 percent of land should remain state property for a period of 20 to 25 years. If one wants to independently work on land, one has to pay the state for leasing it and then one can use it. Nowhere in the world is land completely privatized. Nobody in other states throws away the land just like that. One must have appropriate experience, education and be successful before a selection commission, and only then can one lease land. Therefore, I repeat, we do support private land ownership, however we want to achieve it by following an evolutional path.

Finally, I am deeply convinced that there is one, so to speak, reservation. One can implement reform if the nation understands and supports it. Therefore, we must work very hard, as we have already mentioned, on ideological provisions. I am referring to the need for a broad and steady campaign of ways and conditions of transition to market economy. SILSKE ZHYTTYA has done a lot in this area, but it can do even more....

Editorial office

The editors fully support the people's deputies' proposal for opening a chapter named "People's Deputies' Evenings" at the SILSKE ZHYTTYA newspaper.

Belarus

Lukashenka Discusses Cooperation With Russia's Soskovets

WS2209132195 Minsk Radio Minsk Network in Belarusian 1200 GMT 22 Sep 95

[FBIS Translated Text] Our special correspondent Leanid Anop has just reported from Krasnodarsk Oblast [in Russia]. During his stay in Sochi, Belarusian President Alyaksandr Lukashenka held a two-hour meeting with Russian First Deputy Prime Minister Oleg Soskovets. At the talks, specific mechanisms for implementing agreements reached during the visit of Boris Yeltsin to Belarus were discussed. They include cooperation in the economic sphere, joint efforts directed at eliminating consequences of the Chernobyl accident, coordination of price policies, implementation of joint construction projects, and other issues related to the cooperation of Russia and Belarus. Tomorrow Alyaksandr Lukashenka is leaving for Kiev, where he will hold a working meeting with Ukrainian President Leonid Kuchma.

Lukashenka Denies Bringing Draft Federal Treaty to Russia

LD2309161795 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 23 Sep 95

[From the "Vremya" newscast]

[FBIS Translated Text] Here are some details of Belarusian President Alyaksandr Lukashenka's recent visit to Moscow and Sochi. An informed source in the Russian government, who wished to remain anonymous, yesterday confirmed earlier reports that Lukashenka came to Russia with a draft federal treaty. This draft was shown to very few people. This information was confirmed in the Belarusian president's administration. It was also said that Lukashenka had proposed to conclude a federal treaty with Russia at the meeting with Prime Minister Chernomyrdin. However, the Belarusian president did not confirm this information in an interview with our correspondent in Sochi.

[Begin Lukashenka recording] That is not true. We did not talk about any federal treaty. I spoke about our political relations. Boris Nikolayevich [Yeltsin] and I agreed to take our time. We must work very carefully and purposefully - and not for the sake of political intrigues, but for the sake of the peoples. And then we will probably consider the shape of our future cooperation. But there were no federal or any other treaties. This is probably a prospect, which requires a lot of work - both on the part of the presidents and you journalists. [end recording]

Chances of Confederation With Russia Viewed

WS2509105095 Minsk MMC in English 0752 GMT 25 Sep 95

[FBIS Transcribed Text] Tactics of rapprochement of Russia and Belarus, assumed by certain leaders of the both countries as a basis, may lead to emerging a new state formation in the near future. According to our information, a draft agreement on creating a confederation with participation of Russia and Belarus has been prepared. According to a source in the presidential administration, a number of meetings between the Russian and Belarusian top officials have been held lately to discuss possibilities of setting up a confederation. Initially, Vladimir Zametalin, the chief of socio-political information department of the presidential administration, met with Oleg Soskovets, the Russian prime minister [as received], and Oleg Lobov, the secretary of the Security Council. During the talks the Russian side showed interest for proposals outgoing from the Belarusian side about confederation. Later, Uladzimir Syanko, the Belarusian foreign minister, during his recent visit to Moscow worked along with his Russian colleague Andrey Kozyrev on a joint statement about creating a confederation. Alyaksandr Lukashenka, the Belarusian president's visit to Moscow and Sochi was the next step in this direction. According to the information from different sources, Lukashenka's visit was urgent. On September 17 none of the Belarusian state structures was informed about it. The next day after receiving a letter the contents of which are unknown the Belarusian president announced his urgent departure to the Russian capital. Even the planned for September 21 visit of Alyaksandr Lukashenka to Armenia was postponed for the sake of this. On September 19 he met in Moscow with Victor Chernomyrdin, the Russian prime-minister as well as the other top officials (according to the unconfirmed information, with Pavel Grachev, the Russian minister of defense). Then he went to see Boris Yeltsin in Sochi. To avoid any information leak Lukashenka is accompanied by his most empowered persons only. At the same time Mikhail Myasnikovich, the vice prime-minister was sent back to Minsk likely due to the same reason. The circles close to the president try to spread through unofficial channels the information that the aim of the visit is to achieve an agreement regarding granting Belarus a technical credit by Russia, providing on favorable terms products of energy-producing industries and changing rates of custom duties. Addressing the press in Moscow Victor Chernomyrdin and Alyaksandr Lukashenka said that the realization of the second step of the customs union was discussed. However, the absence of Mikhail Chyhir within the Belarusian delegation, the prime-minister allows us to suppose that the customs agreements served to be just a cover for discussing other issues. A certain nervousness in Minsk also proves that: the traditional Mikhail Chyhir's briefing is canceled; Uladzimir Syanko did not show up for the press-conference on occasion of arrival of the Slovak delegation. Nevertheless, it is known that an official statement on forming a confederation with participation of Russia and Belarus is likely to be made in the end of September. The "Union of Independent States" is regarded as one of the names for such a new state formation. Further, some other countries are supposed to become member states of the confederation. Moscow would be especially interested to have Ukraine joining such an agreement. Since Kiev is hardly to take a voluntary step in this direction, a possibility of forcing Kiev into it by means of economic blockade organized by Russia and Belarus is studied. It is completely not clear on what basis (economic, military-political, etc.) the confederation is to be built up. The Information obtained from the Belarusian sources was confirmed in a private talk by a representative of one of the foreign embassies. He also suggested a version that emerging of a new bloc is to become a logical follow-up to the statements by Boris Yeltsin and Alyaksandr Lukashenka about creating a new military-political block in order to counterbalance NATO. The diplomat added that the hope for a good sense of the Russian leaders in the first place still exists. Perhaps, they will refuse from their plans the realization of which may lead to the barely predictable consequences.[as received] The fact that Boris Yeltsin is hesitating can be backed up by the information that during the whole day he actually kept Alyaksandr Lukashenka in the waiting room. The reasons making the Russian side be in a hurry to form a confederation are not very clear yet. The version stated by Yevginiy Kiselyov in his Itogi NTV program does not look persuasive. Kiselyov said that the Russian "power party" intends to take advantage of the new state formation using it as a reason for postponing for a later date the upcoming parliamentary and presidential elections. However, in this case it would be logical to give them a faster pace but not to put them off. The variant which connects the activity in Moscow with the international situation, the situation in the former Yugoslavia included, looks more like real. However, the abrupt and long-term sharpening in the foreign policy is hardly to be of advantage to Russia. At the same time the motives of the Belarusian president are quite clear. From the one side, Lukashenka hopes to have a number of domestic republican problems resolved. At the same time he gets a great opportunity to run for the leadership of the unified state at the elections which are anyway to happen in the near future.

Lukashenka Interviewed on Visit to Russia, Ukraine

LD2409184595 Minsk Radio Minsk Network in Belarusian 1700 GMT 24 Sep 95

[FBIS Translated Excerpt] Belarusian President Alyaksandr Lukashenka, returned to Minsk today. His visit to the Russian Federation and Ukraine lasted six days. Our special correspondent, Leanid Anop, interviewed Alyaksandr Lukashenka on the results of his working visit.

[Begin Lukashenka recording, in Russian] Our meeting in Moscow with representatives of the Russian Government and Viktor Stepanovich Chernomyrdin started [words indistinct]. We spoke about deepening our relations and — I won't hide it — quite a lot about politics. We discussed various issues of the development of political relations. We spoke a lot about military technical cooperation. But the formula was the same; I suggested, Viktor Stepanovich, let's do it this way. We can deepen political relations as much as we like on paper, but unless we implement our accords which were confirmed by the agreement between the presidents of Russia and Belarus during Yeltsin's visit to Minsk in February, then it will just be wishful thinking. The people will not accept that. So today we need specific results.

We have achieved a certain level in our relationship with Russia. No-one can deny that. But what next? Should we stop at that? No way. In any relationship, in any process it is the dynamics itself that matters. [passage omitted]

In Sochi we met Russian Defense Minister Pavel Grachev. We have very many problems in relations between our armies, especially the debt of the Russian side to the Belarusian military industrial complex. And I must say that our position was fully supported by the Russian side. So I am pleased with this part of my visit. This coordination [words indistinct] should always apply to relations between our states. The visit was a working one, a consultative one, especially the visit to Ukraine and the meeting with the president of Ukraine. [words indistinct]

In the near future, as you probably know, we are expecting a visit from the president of Kazakhstan, Nursultan Nazarbayev. We shall continue our consultation, our talks with that great power. Belarus-Kazakhstan relations are also important to us.

We discussed our attitude — Russia and Belarus — to the Balkan crisis. We spoke openly and honestly about it. The second problem under discussion was the problem of NATO, the expansion of NATO. I raised this question. It worries me very much, since we are already seeing specific steps on the part of the

North Atlantic bloc towards the frontiers of Belarus. We discussed problems of relations with neighboring states. This occupied a large part of my talks with Viktor Chernomyrdin, especially concerning states of the east European region which formerly were members of the Council for Mutual Economic Assistance, and the trends taking place there.

We discussed our relations with Western countries and the coordination of our policies regarding Western countries and that group of states [words indistinct]. We did not sign anything secret. We did not elaborate any agreements or accords behind anyone's back. Everything was clear and open to the whole world. [passage omitted] [end recording]

Hryb: Elections To Be Held According to New Rules

LD2209210895 Moscow INTERFAX in English 1941 GMT 22 Sep 95

[FBIS Transcribed Text] MINSK, Sept 22 (Interfax-West) — Chairman of the Belarusian Supreme Soviet Mechyslaw Hryb believes that parliamentary elections in the republic on November 29 will be held according to new rules outlined by the Supreme Soviet (parliament) of the old convocation.

He told Interfax that since no official notification had arrived from the president by Thursday before 4:00 p.m., local time, on whether or not to sign the document (earlier approved by parliament) which changes existing election laws. [sentence as received] These changes will automatically be effective in line with existing laws.

For example, according to parliament-approved amendments the elections will be considered valid if over 25 percent of potential voters come to the polls. Old laws stipulated a percentage of 50 percent.

Meanwhile, Lukashenka reiterated that documents approved by the parliament of the old convocation after May 15, 1995, are illegitimate.

The five-year term of the Belarusian Supreme Soviet's powers expired formally on that day.

Prime Minister Discusses Economic Indicators

LD2209210295 Moscow INTERFAX in English 1941 GMT 22 Sep 95

[FBIS Transcribed Text] MINSK, Sept 22 (Interfax-West) — Inflation in Belarus was 2.1 percent in the first three weeks of September and should stay within 3 percent for the whole of the month, Prime Minister Mikhail Chyhir told the executive administrators of the country's cities and districts.

Chyhir said that the government has succeeded in keeping the budget deficit within 3.2 percent of the GDP, as envisaged by the Supreme Soviet.

He admitted that the government has failed to prevent the decline of the gross domestic product because of the increasing prices of imported fuels, raw commodities and spares.

Chyhir did not expect wide variations of the exchange rate. Belarus can obtain additional aid from the European Union and donor states such as Belgium, now that the International Monetary Fund decided on September 12 to make a stand-by credit available to the country. Chyhir said that these loans will be used to overhaul the country's factories.

He said that the grain harvest was 800,000 tonnes short of last year's yield. A total of 1.6 million tonnes of grain has been sold to the state reserve.

Chyhir said that 10 percent of the collective farms are beyond redemption economically and have to be reformed. He rejected, however, the idea of an overall land reform which might result in mass food shortages.

National Bank To Lift Limits on Foreign Currency Exports

LD2209115795 Moscow INTERFAX in English 1018 GMT 22 Sep 95

[FBIS Transcribed Text] MINSK, Sept 22 (FIA-Interfax) — The National Bank of Belarus is planning to lift limits on foreign currency exports, a bank representative told the Interfax Financial Information Agency Friday.

Today individuals are not allow to take more than $500 outside the republic without permission from the National Bank. Commercial banks are not allowed to issue permission to individuals for foreign currency exports.

According to the bank representative, the Regulations on Selling/Purchasing of Foreign Currency and Foreign Currency Payment Documents with Savings of Belarusian Citizens, which were elaborated by the bank experts, will lift limits on exports of foreign currency on condition the money is purchased from a Belarusian bank with an export permission.

The new document will help regulate foreign currency operations, said the bank representative. According to him, the bank board has approved the regulations to enter into force after registration at the Justice Ministry. If the Ministry approves of the document, permissions for foreign currency exports issued by Belarusian banks will be also valid in Belarusian citizens' exit from the

Russian customs territory, because the two states have an agreement on common customs space.

The document also provides for rules on collection of foreign cash and foreign currency payment documents. Under these rules, the Belarusian banks are obliged to accept for collection damaged banknotes (stained with paint, oil etc).

Moldova

Tiraspol Authorities To Control Dniester Air Space

AU2209165095 Chisinau BASAPRESS in English 1950 GMT 21 Sep 95

[FBIS Transcribed Text] Tighina (Bender) 21/09/1995 (BASAPRESS) — Tiraspol authorities will establish a control over "the Dniester air space." Yesterday at the Joint Control Commission (JCC) sitting, Tiraspol representatives implied that the aircraft flying over Dniester without a permission will be grounded. BASAPRESS learned from the JCC that Colonel Yuri Matveyev, commander of the Dniester peace keeping forces, suggested discussing the "violation of Dniester's air space." According to him, two days before two Moldovan aircraft crossed Dniester's air space at midnight. In his opinion, this is a violation of the peace keeping process in Dniester. Moldovan representatives in the JCC brought proofs, including technical ones, that there were no such flights.

Snegur To Continue Talks on Transdniester Settlement

LD2209220795 Moscow INTERFAX in English 2154 GMT 22 Sep 95

[FBIS Transcribed Text] CHISINAU, Sept 22 (Interfax) - Moldovan President Mircea Snegur stated his intention to continue talks on a Transdniester settlement. "However long the talks may be, we will protect Moldova's sociopolitical and economic stability only through political dialogue," he told a news conference upon the closure of the international conference "Moldova. A Country Open to the World" in Chisinau Friday.

Snegur underlined that both Moldova's parliamentary chairman and prime minister shared his vision of Transdniester settlement. They are unanimous that the issue should be settled by granting autonomy to Transdnestr within Moldova.

"So far, our forecasts of settlement before the end of this year have not come true. The reason is the factors influencing the mentality of the Transdniester leaders. However, our patience will not run out, and we will continue the dialogue even in 1996. The main thing is that arms are not shooting and that people are not dying," Snegur said.

JCC Representative Suggests New Snegur-Yeltsin Talks

AU2309171195 Chisinau BASAPRESS in English 1950 GMT 21 Sep 95

[FBIS Transcribed Text] Chisinau, 21/09/1995 (BASApress) — The Moldovan delegation to the Joint Control Commission (JCC) proposed to hold a new round of talks between Moldovan President Mircea Snegur and Russian President Boris Yeltsin with the participation of Tiraspol representatives. "The Dniester side has practically broken the commitments taken in accordance with the July 21, 1992 agreement," according to a report by Vitalie Bruma, Moldovan representative in JCC. He said Dniester paramilitary groups as well as customs offices and border guard points were stationed in the security zone. At the same time, "Moldovan peacekeepers and policemen are almost always blackmailed and provoked." And Tiraspol "imposes its power structures on the right bank of the Dniester and in Bender, taking advantage of the tolerance and — in some cases — even support displayed by the Russian peacekeepers." Bruma favored an extension for the OSCE Mission's mandate to establish "an efficient control over the military groups located in the region" and demilitarize the security zone by withdrawing all military groups, except for the peacekeepers, Moldovan police and Dniester militia.

Snegur To Defend Stability Through Dialogue

AU2409160695 Chisinau INFOTAG in English 2115 GMT 22 Sep 95

[FBIS Transcribed Text] Chisinau, September 22 (INFOTAG) — "However long the Dniester negotiations may be, Moldova shall be defending its socio-political and economic stability only through political dialogue," President Snegur has stated. Speaking at today's press conference which marked the completion of the "Moldova: Open to the World" international investment conference, Mr. Snegur said that "the Parliament speaker, prime minister and myself usually answer Dniester-related questions in a similar way, for our views coincide and we wish to resolve the Dniester problem as soon as possible and exceptionally peacefully."

With an account of the monthly summits held in the first half of 1995, the Moldovan president presumed that by the end of this year the conflict would have been settled, and Dniester would have been granted an official status with broad rights of an autonomous region in the Moldovan framework. "However, things will take a longer time. The delay is due to factors which influence the Dniester leaders' mentality. However, we have enough patience, and we shall continue the dialogue even if it will take the entire 1996. The main thing is that there is no more shooting and human deaths," the President said.

Parliament Completes Procedure To Recall Dismissed Members

AU2409153995 Chisinau INFOTAG in English 2115 GMT 22 Sep 95

[FBIS Transcribed Text] Chisinau, September 22 (INFOTAG) — The Moldovan Parliament has gone through constitutional formalities, after which confirmed its earlier decision to recall Deputy Speaker Nicolae Andronic, Chairman of the Law Committee Eugen Rusu, and Chairman of the Committee for State Security and Public Order, Ion Unghureanu.

The Parliament adopted a resolution today by which it admitted its own earlier decision to recall the three deputies as anti-constitutional, and instructed to take measures to "duly liquidate the material consequences of the anti-constitutional decision", or, in plainer words, to repay salaries to the deputies due for the past two months.

After the resolution was adopted, the Speaker announced a break in the session, during which Petru Lucinschi had brief consultations with factions.

After the break, Lucinschi, in full accordance with the constitutional procedure, submitted a proposal to recall the three. It was supported by the Agrarian Democratic and the Socialist Unity factions. The Popular Front and the Peasants and Intellectuals factions abstained from voting.

On Lucinschi's proposition, Victor Cechan of the PDAM [Democratic Agrarian Party of Moldova] faction was appointed Chairman of the Law Committee. The two opposition factions voted against his candidacy.

Still vacant are the posts of chairmen of the State Security and the Foreign Policy Committees. The Speaker said, he would propose candidacies later, as additional consultations were needed.

Parliament Statement on Promoting Democratic Reforms

AU2409160795 Chisinau BASAPRESS in English 1920 GMT 22 Sep 95

[FBIS Transcribed Text] Chisinau, 22/09/1995 (BASAPRESS) — Moldovan Parliament adopted today a declaration in which it declares itself "promoter of democratic reforms and process." It was adopted at the request of Anatol Popusoi, vice chairman of the Moldovan Agrarian Democratic Party parliamentary faction. Popusoi said at the first sitting of the autumn session that the Parliament should reject Snegur's accusations of being oriented to the left and trying to reverse the reform policy.

"The Parliament is subjected to groundless criticism that it blocks the reforms and promotes retrograde standpoints. The authors of these assessments aim to minimize the importance of parliamentary activity, to discredit Parliament, to encourage variances among the branches of power and to cause confrontations in the society," reads the declaration.

The Peasants and Intellectuals Bloc and Christian Democratic People's Front representatives did not vote for the reason that the declaration should have been substantially improved. But as Vasile Nedelciuc, Peasants and Intellectuals Bloc representative, told BASAPRESS the declaration was not formerly examined by the factions. "We think that political parties and not Parliament are the ones to make statements. The adopted text should have explained why many economic laws and mechanisms are not working," Nedelciuc said.

Parliament Statement on Blocking Economic Reform

AU2409160395 Chisinau INFOTAG in English 2115 GMT 22 Sep 95

[FBIS Transcribed Text] Chisinau, September 22 (INFOTAG) — The Parliament adopted a statement today in which it denied accusations of blocking the economic reform.

The document reads that the Parliament, elected in 1994 through first-ever free and multi-party elections, has always conducted and is conducting the policy of transition from a centralized economy to a free market, from totalitarian to democratic system.

During its past 3 sessions, the forum passed over 500 regulatory enactments which provide for the irreversibility of economic and political reforms, and adopted a new Constitution. A natural consequence of these activities was Moldova's admission to the Council of Europe.

"Despite internal differences, which are typical of a multi-faction organism, the Parliament managed to demonstrate its firm intention to conduct reforms and support the democratization and renovation of the society.

"Against that positive background, the more and more persistent claims that the Parliament is blockading the reforms sound increasingly groundless," the statement says.

The Parliament believes that "the authors of these claims are speculating on the objective difficulties faced by the population, and are pursuing a goal of minimizing the role of the legislative work, discrediting the forum, provoking dissent between branches of power, and, ultimately, provoking a new unrest in the society."

The Parliament pledged to remain a consistent conductor of economic reforms and democratic processes, a protector of the population's vital interests.

The statement has been adopted by a majority vote. The two opposition factions and 10 deputies who had left the Agrarian Democratic Party did not take part in the voting.

One of them told INFOTAG, a parliament should prove its intentions with concrete deeds, i.e. laws adopted, and not with political statements.

Kazakhstan

Visiting Ukrainian President Speaks on Economy

LD2209215495 Kiev Radio Ukraine World Service in English 2100 GMT 22 Sep 90 5

[FBIS Transcribed Text] Speaking at the Almaty [word indistinct] center on Thursday, 21 September, President Leonid Kuchma admitted that ruptured economic ties, which used to intertwine the former USSR's industrial and other enterprises, had taken a heavy toll on mainly Ukrainian manufacturers. The Ukrainian president urged the technological revolution to rectify the economic situation in post-totalitarian nations.

According to Mr. Kuchma, prices for Ukrainian products, despite Ukraine's virtually dirt-cheap labor force, are one-and-a-half to two times higher than the world market's average ones, which makes new products uncompetitive abroad and compels the producers to seek marketing them within the CIS space.

As Mr. Kuchma said, Ukraine refuses to accede to the CIS customs union, not because of its objections to the letter in principle, but rather for fear of becoming Russia's economic appendix and the rather grave threat of massive unemployment, in particular in Ukraine's coal-mining industry, which is a losing branch and anything but cost-efficient.

Touching on the military-industrial complex problem, Mr. Kuchma urged the CIS joint effort in trying to reestablish the former USSR (?MIC's) national segment on global weaponry markets, where the former Soviet Union used to be a major seller, second only to the USA. The official visit has been completed, and Leonid Kuchma returned to Kiev this afternoon.

Swiss Firm Takes Over Ore-Enrichment Plant

LD2409161995 Almaty KAZAKHSTANSKAYA PRAVDA in Russian 16 Sep 95 p 1

[Unattributed report: "Big Changes are Expected in Zhayrem"]

[FBIS Translated Text] The prospects for further development of the Zhayrem ore-enrichment plant have been defined. A contract on transferring this enterprise to the management of the Swiss firm Nakosta AG has been signed.

On Thursday [14 September], the workers of the Sary-Arka polimetal joint-stock company held a meeting in Zhayrem village of Dzhezkazgan Region with Abdullah Kurkayev, the president of the firm Nakosta AG,, the representatives of the regional administration, and the Kazakh Consumers' Union, which owns the controlling bloc of shares in the Sary-Arka polimetal joint-stock company. The manager of the firm was presented by Sabit Bayzhanov, the president of the industrial and financial company Kaztutkoop [Kazakh consumer cooperative]. He underlined that the contract was drawn up taking into account every specific aspect of the ore-extraction and -processing plant, which uses the unique Zhayrem deposits.

In contrast to the existing practice of transferring Kazakhstan's enterprises [into foreign management] for a short period, the Swiss firm has come to Zhayrem for 25 years. This is the period needed to regulate the full cycle of development of manganese and polimetal ore deposits envisaged by the general development program of Zhayrem as far back as during the existence of the USSR.

It is noteworthy, that the president of the firm Nakosta AG is our former fellow-countryman, from Kzyl-Orda. In his time he graduated from the higher Communist Party school, then took up business. At present the firm's range of interests cover the industrial regions of the Russian Federation, Ukraine, and East Europe. It is of no small importance that the new managers have reliable contacts with the sectoral enterprises of Nikopol [Ukraine] and other former partners of the Zhayrem ore-enrichment plant, cooperation with which broke down with the collapse of the Soviet Union.

The Swiss firm is taking upon itself a huge burden of problems. It is enough to say that today the debts of the Sary-Arka polimetal joint-stock company exceed 400 million tenge. The primary tasks have been defined: Preparation for the coming cold season, paying workers' wages, paying off debts to the state budget. There will be an audit examination of enterprise's financial activities with the participation of experts from Russia and Ukraine. It is pleasant that Nakosta is taking all the village's social and cultural facilities under its wing.

The active participation of the Swiss firm in the plant's business does not mean complete absence of control. The shipment of finished products and price regulations will be implemented only with the knowledge of the industrial and financial company Kaztutkoop. All the shares of the Sary-Arka polimetal joint-stock company will be left to the investment funds of the Kazakh Consumers' Union. If the managing firm does not observe the conditions set out in the contract, the contract may be cancelled.

At the meeting the question was raised about the conflict with the Zhayrem ore-enrichment experimental factory, which is owned by the private firm Aluet. According to Sabit Bayzhanov, all the materials on this case are now being reviewed at the Supreme Arbitration Court of the Republic of Kazakhstan. The preliminary hearing gives hope that the enrichment factory will be returned to the unified industrial complex of the Sary-Arka polimetal joint- stock company.

Premier, President Speak on Reform

LD2309110895 Almaty Kazakh Television First Program Network in Russian 1729 GMT 22 Sep 95

[FBIS Translated Excerpt] An enlarged meeting of the republic's government took place today. Participants included the heads of regional and city administrations, the heads of ministries and departments, and representatives of the president's administration.

On the eve of this meeting there were many rumors and much speculation among reporters and in office lobbies about a serious and frank discussion which was to take place here on the activity of the current Cabinet of Ministers. At a recent news conference, President Nursultan Nazarbayev announced an impending reshuffle of personnel, which made these rumors more exciting. On the whole, this speculation is turning out to be true to a certain extent:

[Begin Prime Minister Qazhygeldin recording] [passage omitted] Respected Nursultan Abishevich [Nazarbayev], further implementation of reforms requires that the standard of competence of personnel in government bodies should be raised consistently, including myself, the Cabinet of Ministers, the government and its members, and first of all in the financial and economic sphere. We need a single policy in all administrative circles, as well as a single understanding and interpretation and single implementation.

So, as prime minister, I cannot but ask for certain changes of personnel in the government. We announced the main goals which we plan to achieve in three years. But they can be achieved only by a team of like-minded people who are willing to take responsibility for their implementation, which is not at all a simple task. It is one thing to talk about solidarity but quite another to act in a coordinated manner. I intend to exercise my constitutional right to submit my proposals [on cabinet changes] to you in the near future. Thank you. [end recording]

[Begin President Nazarbayev recording] [passage omitted] My impression is that the country's National Bank is not acting in unison with the situation. Clearly it is said, not without reason, that it has become a state within a state. Undoubtedly, the national currency's stability should be maintained and gold and foreign currency reserves should be accumulated, but this should not turn into an end in itself and be implemented in isolation from the economic situation. Undoubtedly, there should be reform of the banking system, and it should be regulated, but not on the basis of the principle of creating special conditions for certain banks. I want to ask, by the way: Isn't that organization starting to forget the notion of state service? And what do these games mean — one day the separation of banks and the next day the unification of those banks? When will all this end? [passage omitted]

I think that this government is more united and looks more like a team than the previous government. The problem here is not just certain flaws in selecting personnel but, to a considerable extent, the absence of the necessary coordination. In other words, [this government is] a team but, to put it bluntly, not the team which we would like, for I do not see proper coordination in the activities of the economic ministries, the government and the National Bank, and the economic ministries and our foreign departments.

The main reasons for this are the insufficiently effective distribution of duties among the deputy prime ministers, each of whom is striving to obtain his own set of issues [to control] and trying to push the others away — and each wants to have his own set of foreign issues — their limited independence in making decisions and the absence of a clear viewpoint on the macroeconomy and Kazakhstan's real interests in its specific relations with a particular country or company.

Knowledge of the world market, sources of raw materials, marketing, and the potential of the country's economy enable us to maintain effective state regulation of the economy. Otherwise, the government is not a pilot but a rower whose boat is moving on a course which he does not understand. If we have a ministry — we agreed this the last time we put the government together — let us make sure that a minister is indeed a minister. A member of government should be at an appropriate level. A ministry submits a document to the president's or government's officials; here is a department — what it does is not clear — and the head of this department...[Nazarbayev pauses] Maybe we should call him a minister then.

I headed the government for many years in Kazakhstan. Even then, under the command economy, there were not this many people in the apparatuses. A ministry submitted a document on its policy to a government meeting, and then an apparatus employee was just familiarized with the comments on it and sent away until he had the document properly prepared. Now an apparatus takes the documents, does the work of a ministry, and God help you if you don't come and make a report to that head of department. What sort of system is this? [passage omitted]

This is not just a matter of political competence and the range of interests of some government members and their psychology of being king for a day. It is first and foremost a matter of the lack of a flexible system of work between ministries and departments as regards either the distant future or quick tangible results which will be the basis for the majority of the population to judge the activities of the top leadership. The government's rating will almost inevitably fall without a well-established system of this kind.

The provision of information about the activity of state bodies leaves much to be desired. I am talking not just about the absence of a system for the accurate exchange of information on horizontal and vertical lines but about the low effectiveness of the provision of information to people about what is going on at the top. There is a need for a well-considered daily demonstration of work for the benefit of the people, even when there is nothing particular to boast about. Aren't we doing all this in order to improve the people's lives? Let us tell them what steps we are taking. Publicity is of extraordinary importance to people, particularly if it is to do with material wealth. In this we should always be first, so as not to complain that the media are leaving us behind.

I have said all this on the basis of my new powers set out in the new constitution. All economic matters and issues of the economy's management have been handed over to the government. I trust this government. Because I trust it, I accept all proposals made by the government and, by doing so, I am helping it. Therefore, I ask you to take all that I have said as a guide, as we used to say. [passage omitted]

To conclude my speech, I would like to say that the immediate forthcoming period is not at all simple. It will be a period of constitutional reforms. There will be personnel reshuffles. Therefore, although I have severely criticized our executive bodies today, I would like to say that I still trust our government and our local executive bodies. I am saying this because after two referendums held by us the people are waiting. What is next? What steps are we going to take? What are we going to do now?

Now everything should be brought into line with the country's constitution. In a few days laws will be prepared and issued on the election of a new parliament and on changes in the judicial system in line with the constitution. We have to put all this into operation swiftly. The government has a lot of work to do here. I have instructed the government — as Akezhan Magzhanovich [Qazhygeldin] noted here — to submit proposals within ten days on insuring that the procedure for confirming the tenure of office of members of the government is brought into line with the constitution, as well as proposals on reorganizing city and regional administrations. That is for you to note, because you cannot work in a way which is contrary to the constitution, with uncertainty all around. Everything should immediately be brought into line with the constitution. Then you can start continuing with your work. Accountability will thus be increased. But, on the other hand, at this stage of reforms you should take care of our personnel, especially those who display great skill and competence in these difficult conditions. [passage omitted] [end recording]

Military Conversion Half-Year Results

LD2209124195 Almaty PANORAMA in Russian 9 Sep 95 p 11

[Interview with Valeriy Shevelev, deputy minister of trade and industry, by PANORAMA correspondent Oleg He; date and place not given; first paragraph is PANORAMA introduction]

[FBIS Translated Text] Only three percent of the necessary sum was allocated for the conversion of defense industries in the first six months of this year. From the beginning of this year Kazakh military-industrial complex enterprises have not concluded a single contract for the production of special equipment.

[He] Do the conversion measures correspond in reality to the tasks set by the conversion program for 1995?

[Shevelev] The program, given full financial provision, was aimed at fast implementation of the conversion process. According to the estimates for 1995, 3.5 billion tenge were required for conversion measures. It was planned to take the bulk of the spending from republican budget funds, while enterprises themselves were intended to undertake the remaining expenditure, taking into account their own financial reserves and funds that they attracted, including foreign investments. However, in the first half of the year the real situation developed most unfavorably. The budget was approved only in the middle of March and the distribution of funds took place only in early April. Thus, the receipt of real money is to be expected by the second half of the year.

On the other hand, the government structures' approach to such a serious problem as the conversion of enterprises is obviously not objective. Under the terms of the budget and subsequent distribution, 109 million tenge — three percent of the required amount — are being allocated to the enterprises of the Korgau national joint-stock company. A total of 406.7 million tenge, compared with a requirement of 1.5 billion tenge, is being allocated for social measures, including ensuring the transfer of the housing stock to the control of local administrations. It is planned to grant two-sevenths of the required money for conversion from the employment fund.

According to Finance Ministry data, however, these figures are due to be adjusted. According to the proposal of the Ministry of Finance, expenditure on conversion needs to be cut by 25 percent, and spending on social measures should be reduced by 50 percent. The employment fund has decided to distribute the 40 million tenge that are being extended not to support payment of wages, but to equip classrooms and pay for student grants and teaching. Clearly, the fund intends to turn highly qualified specialists into less qualified ones [sentence as published].

Thus, the conversion program did not receive any financial support from the republican budget during the first six months and the prospects for the second half of the year do not fill me with hope.

[He] Are defense enterprises managing to function independently?

[Shevelev] From the beginning this year Kazakh enterprises of the military-industrial complex have not concluded a single contract to produce special equipment. Hopes for orders from traditional partners — the countries of the Commonwealth of Independent States and, above all, the Russian Federation — were not fulfilled. In addition to the above, there are the problems of nonpayments for orders met and the shortage of working capital to fulfill contracts already accepted. The picture will be complete if I add the forced maintenance of unused production and reserve capacities, the social sphere, the housing stock, the state reserve and special design, technological and technical personnel.

One can cite the Mashinostroitelnyy Zavod [machine-building plant] joint-stock company as an example. In the past the enterprise's capacity made it possible to produce standard output worth 1.8 billion a year, converted into tenge. Last year the plant used only 31 percent of its potential, whereas the cost of maintenance of unused capacity amounted to 50 million tenge. If expenditure on social facilities is taken into consideration, then it will not be difficult to imagine the enterprise's financial base on which it can count when carrying out conversion measures.

Despite the problems, the enterprises of the defense complex are managing partially to put production on a new footing. Admittedly, the scarcity of their own funds does not allow them to use modern industrial production technologies or to develop new types of items — which increases considerably the cost of civilian output. Exhibitions of goods from defense enterprises held in Atyrau and Petropavlovsk are confirmation of this. At the latter, about 500 types of new production were presented. Mainly, they are animal husbandry complexes and technical equipment for processing agricultural output and other raw materials available in Kazakhstan. The quality is at a high level, but the price leaves much to be desired. This indicates that it is impossible to make do with limited funds where conversion is concerned. Serious capital investment is necessary to ensure the creation of highly effective production facilities. A bank for reconstruction and development has been created for this purpose, with the aim of financing the implementation of projects.

Conversion programs can be implemented in a different way, with foreign grants. For example, an international agreement has been signed with the United States under the Nunn-Lugar program, which envisages the realization of a number of joint projects in the conversion program for Kazakh defense enterprises. In 1995 the U.S. Government has extended four grants worth $1.5 million for creating joint ventures. One of these was received by an enterprise of the Ministry of Trade and Industry — the Gidromash [hydroelectric machinery] joint-stock company. Another 14 projects have been submitted for further cooperation in this area, and the U.S. side has expressed its intention to extend grants for two of them this year. It remains unknown how quickly Kazakhstan will receive the next grants. Every local department is pursuing its own interests, which leads to forced delays.

In particular, we have long been unable to reach a common opinion with the State Property Committee, which has revised its position several times. Meanwhile, the Americans are not hurrying with their grants, with which we could already have created new joint enterprises. An exhibition of Kazakh enterprises' output is planned in San Diego in the very near future. This demonstration of goods produced at the enterprises of the military industrial complex may arouse interest and increase the volume of cash receipts.

[He] How are relations between Kazakhstan and the CIS countries developing as far as conversion of the military-industrial complex is concerned?

[Shevelev] Negotiations were held with the Russian Federation at the level of defense industry committees during the first half of 1995. As a result, agreements were signed on cooperation in defense industry areas and on restoring former links. The Russian side wished to resume a number of defense orders at Kazakh enterprises within the next three years.

It is probably necessary to restore long-term cooperation with the Russian partners in the sphere of specific equipment production. Similar steps must be taken with other CIS countries. It is quite obvious that the question of retaining the specialization of defense industry enterprises must be resolved at the government level. This will help finally to determine what should be kept and what turned over for privatization.

After the first step for a single customs union was taken by the three states [Kazakhstan, Russia, Belarus], others must be taken toward creating a single military industrial union and a single mobilization plan [passage as published].

[He] To what extent can large-scale funding for defense enterprises be justified?

[Shevelev] The principal sectors such as metallurgy, the chemical industry, and sub-divisions of these are gradually emerging from the crisis. Meanwhile, the domestic machine-building complex must turn itself to fulfilling their orders. In the meantime, the principal sectors are purchasing all their important equipment in the near and far abroad. The question is time, as Kazakhstan has all the possibilities to revive specialized technical production for the development of the industry.

Kyrgyzstan

Agreements Signed During Indian Premier Visit

LD2209190695 Moscow ITAR-TASS in English 1641 GMT 22 Sep 95

[By Yuriy Kozmin]

[FBIS Transcribed Text] NEW DELHI, September 22 (Itar-Tass) - Agreements embodying a wide spectrum of bilateral ties between India and Kyrgyzstan were signed during Indian Prime minister P.V. Narasimha Rao's visit to the Central Asian republic. They are described as new steps on the path to strengthen friendly relations between the two countries.

The documents, envisaging measures for further enhancing cooperation in the spheres of science, technology, tourism, culture and education, were signed in the Kyrgyz capital in the presence of the head of the Indian government and president of Kyrgyzstan Asker Akayev.

Commenting on this event, an Indian Foreign ministry spokesman said in New Delhi today that the signing of bilateral agreements in Bishkek symbolizes further strengthening of relations between the two states, reflects the mutual longing of the peoples of India and Kyrgyzstan raise ties between them to a new higher level and strengthen the atmosphere of mutual trust and cooperation.

The diplomat explained that in conformance to the first documents, the two sides have committed to assist exchange of experience and new developments and modern technologies. According to the second agreement, India and Kyrgyzstan are to continue to broaden and strengthen ties in the sphere of education, arts and widen contacts between representatives of the mass media and sports.

During their talks on Thursday Indian Prime minister Rao and Kyrgyz president Akayev discussed a wide range of issues of common interests. In particular, the two sides considered the prospects of the development of democratic processes and also consolidating guarantees of human rights in India and Kyrgyzstan. They emphasized the need to give a sharp rebuff to forces of terrorism and separatism, which are striving to divide nations and peoples. Among other topics discussed were specific topical and regional problems.

The two sides also reviewed issues related to the continuation of cooperation in the sphere of processing foodstuffs, production of medicine, leather goods and the prospects of the creation of joint enterprises to produce them.

Sources in the Indian Foreign ministry surmise that the visit by Indian Prime minister to the capital of Kyrgyzstan Bishkek will contribute to a more efficient development of bilateral trade and economic ties between the two states.

Rao Concludes Visit

BK2309100195 Delhi All India Radio Network in English 0830 GMT 23 Sep 95

[FBIS Transcribed Text] The intergovernmental joint commission of India and Kyrgyzstan will meet next month to firm up the details of cooperation identified during the prime minister's talks with the Kyrgyz leaders. This was stated by Mr. Narasimha Rao at the Bishkek Airport this morning before leaving for home via the Turkmen capital Ashkhabad at the end of his three-day state visit to Kyrgyzstan. Talking to our correspondent, Mohan Singh, the prime minister said that potential and possibilities of cooperation between the two countries have been explored during his visit to the Central Asian republic.

The Kyrgyz prime minister, Mr. Abbas Dzhumagulov, said that both the countries felt the need for a land route and air communication to facilitate economic cooperation. He said concrete discussions were held with the Indian leader on several issues including the supply of medicines to his country, setting up of joint ventures in pharmaceuticals, and cooperation in the field of silicon semiconductors. Mr. Dzhumagulov expressed his country's willingness to supply cheap electric power, mercury, and herbal medicines to India.

Both the prime ministers described the visit as extremely useful and mutually rewarding. Later, Mr. Narasimha Rao was given a warm ceremonial send-off at the Bishkek Airport by the Kyrgyz prime minister and his ministerial colleagues. President Askar Akayev paid a farewell call on Mr. Narasimha Rao before he left for the airport.

Assembly Schedules Presidential Elections for 24 Dec

LD2409161095 Kyrgyz Radio First Program in Russian 1330 GMT 24 Sep 95

[FBIS Translated Text] We are broadcasting a resolution of the Legislative Assembly of the Supreme Council of the Kyrgyz Republic. It says that elections for the post of president of the Kyrgyz Republic have been scheduled.

Guided by Paragraph 9 of Article 58 of the Constitution of the Kyrgyz Republic, and in accordance with the Kyrgyz Law On the Elections of the President of the Kyrgyz Republic, the Legislative Assembly of the Supreme Council of the Kyrgyz Republic resolves to schedule the elections of the president of the Kyrgyz Republic on Sunday, 24 December 1995.

[Signed] Mukar Cholponbayev, chairman of the Legislative Assembly of the Supreme Council of the Kyrgyz Republic.

Tajikistan

More Clashes Between Servicemen in Kurgan-Tyube

LD2209154795 Moscow ITAR-TASS in English 1443 GMT 22 Sep 95

[FBIS Transcribed Text] DUSHANBE, September 22 (Itar-Tass) — The situation in the area of Kurgan-Tyube, where two military units belonging to the Tajik Defence Ministry have been settling scores with each other for a long time, remain tense.

First deputy chairman of the Tajik Defence Ministry Aleksandr Chubarev in an interview with Itar-Tass today described the situation in this area as "difficult but controllable". Competent bodies "have been investigating the circumstances of an armed conflict between the two units of the Tajik defence ministry," Chubarev said.

On September 17, the first army brigade stationed in Kurgan-Tyube used tanks and artillery to seize the territory of the neighboring 11th military unit. The attack was made after the 11th unit had refused to extradite servicemen believed to be involved in criminal structures. According to official reports, around 30 people from both sides have been killed in clashes, while unofficial sources put down the number of those killed at 150-200.

Reports coming from Kurgan-Tyube have called into question the authorities' statement that the situation in the region was normalized. Trustworthy sources told Tass today that the 11th unit defeated in the last attack does not intend to lay down arms. Mobilization has been announced in areas located in the vicinity of the territory of the 11th unit, which was formally disbanded.

One of the officers of the 11th unit told Tass by telephone on Thursday that "the incident on September 17, when we were shelled from tanks and artillery guns with the silent approval of the Central authorities shows that we should not expect justice from Dushanbe, but shall be compelled to defend ourselves."

Rebels Say Thousands Flee Kurgan-Tyube

LD2209120695 (Clandestine) Voice of Free Tajikistan in Tajik 0300 GMT 22 Sep 95

[FBIS Translated Text] The situation in Kurgan-Tyube is still alarming. The Armed Forces of the 1st and 11th Brigades of the regime's Defense Ministry are in confrontation at this moment. The government is sending its law and order forces and soldiers from the power-wielding ministries from various areas of the republic to the scene of the clashes.

According to an unofficial report from Dushanbe, the fierce battle between the opposition groups continued yesterday morning. The regime's helicopters bombarded the territories of the adversary.

As a result of last week's clashes (?at least) 350 people died, more than 500 were wounded, and thousands more left their homes and fled to Dushanbe and other districts of the republic. Our correspondent told us from Dushanbe that refugees from Kurgan-Tyube had come to the capital and were staying with relatives.

The government has lost control of the former front [Popular Front] of the brothers-in-arms of Safarali Kenjayev and Sangak Safarov. If this state of affairs continues, the possibility of a military takeover will exist at the center. According to analysts in Dushanbe, the situation in the capital is also very worrying.

Government's 5-Year Economic Reform Program

LD2509100095 Dushanbe NARODNAYA GAZETA in Russian 19 Aug 95 pp2,3

["Program for economic reforms in the Republic of Tajikistan for 1995-2000" — NARODNAYA GAZETA headline]

[FBIS Translated Text] Tajikistan is experiencing a very difficult period in its history. The country's economic system is now in the grip of a crisis which is becoming increasingly severe. There has been a substantial decline in production in all sectors of the economy, and in terms of many socio-economic indicators the republic has been thrown back several decades. The overwhelming majority of the population is living below the poverty line, the number of unemployed is rising, life expectancy has become shorter, and the crime situation has deteriorated sharply.

To get out of this current situation and to achieve the stabilization of the economy, new approaches are needed, as are radical changes in economic policies, which should be based on the philosophy of market relations and on the experience of the rest of the world.

The transition to a market economy takes a long period of time. It is necessary to form a new economic way of thinking, to create a new legal basis and an infrastructure for the market, to carry out deep structural reforms and to train qualified personnel. The republic has to have its own model for the transition to a market economy, taking into account national traditions and the peculiarities of its culture and history and the structure of its economy.

This program envisages a package of measures to deepen economic reforms and is designed to provide a way out of the protracted crisis and to contribute to stabilization and to an upturn in the republic's economy.

This program, drawn up in furtherance of the decree of the president of the Republic of Tajikistan of 3 December 1994: "On Priority Measures To Deepen Economic Reforms and To Accelerate the transition to Market Relations," has been approved at a meeting of the republic's government and submitted to the Supreme Assembly of the Republic of Tajikistan for consideration.

1. The goals and priorities of economic reforms

The main goal of economic reforms is the transition to a socially-oriented market economy, which ensures an upturn in the republic's economy and in the prosperity of the people. The strategic tasks of socio-economic reforms are:

to form a flexible and effective system for state regulation of the economy;

to form a diverse economy and a competitive environment on the basis of a reform of ownership relations;

to create and develop an effective monetary and credit system;

to carry out structural reform and modernization of the economy;

to achieve openness of the economy and to create favorable conditions for attracting foreign investment and for developing export potential;

to form an import regulation system;

to create an effective system of incentives to work;

to step up integration processes and to develop economic links with the rest of the world.

The following stages have to be gone through for the aforementioned tasks to be resolved:

Stage one (from the second half of 1995 to 1997) — to overcome the economic crisis and to start structural reforms in the economy. The top priorities of the government's economic policy at this stage are to reform the agricultural sector and to create conditions for carrying out reforms in other sectors of the economy, to finish "small-scale" privatization and launch "large-scale" privatization, to ensure that the economy can be regulated, to revive production and business activity, to create conditions for attracting foreign investment and to develop the legal foundations for reform. It is intended to halt the slump in production by the end of 1996.

The top priority of the second stage (1998-1999) is to finish the process of forming the institutional foundations of a market economy, to complete the active phase of "large-scale" privatization, to carry out fundamental structural reforms, to stabilize the standard of living, to reform the social sphere and to finish the process of forming effective monetary, credit and taxation systems.

Stage three starts in the year 2000. This is the point at which the economy will begin growing. The main priorities of this stage are to modernize the economy, to form an effective economic structure, to implement major social and economic programs and to pursue an active social policy. The market mechanism of economic management will operate fully.

2. Ensuring the manageability of socio-economic processes

Success in the economic reforms depends to a certain extent on whether the deepening administrative crisis is overcome by effectively using all the available levers of influence of state structures on the ongoing socio-economic processes.

In order to achieve the manageability of the economy, the state will use a rational combination of various methods of control. For this purpose:

- there will be a strict delimitation of the government's right to control state property and that of local administrations;
- the functions of the industrial ministries and departments will be reoriented from economic interference to economic methods of control via targeted programs;
- the role of the executive branch of power will be strengthened in areas such as employment, anti-monopoly policies, the collection of taxes, the tightening up of state, financial, executive and contractual discipline;
- a practice of indicative planning will be introduced, which will ensure a rational combination of planning, state regulation and market elements in controlling the economy;
- the system of stock-taking and accounting, which is generally accepted in world practice, will be introduced;
- the role of state bodies will be made more important in supervising standards, in ensuring that a single system of measurement is used and that the national system for the certification of products, work and services is observed, as well as in ensuring the ecological, sanitary and technological safety of industries and that of work being carried out;
- financial-industrial groups, associations, consortiums, holding companies and transnational corporations with state participation will be set up, as will zones for joint activity.

Ensuring the manageability of socio-economic processes also envisages:

- the creation of the legislative foundations for the legal protection of consumers, and small and medium manufacturers against monopolism;
- forming anti-monopoly structures which would ensure the restriction of monopolistic activity on markets of essential goods and services and prevent new monopolies from emerging;
- working out and introducing a mechanism for economic protection;
- working out and using a mechanism for regulating the development of business activity in the public sector of the economy.

3. Budgetary, taxation, monetary, and credit policy

Fiscal policy in the period of transition to the market will be aimed at providing finance for measures of vital importance, at creating conditions for the restoration of the economy, at developing its priority sectors and at using all the available levers for influencing the intensification of economic activity.

By tightening control over the use of financial resources, the government will form a renewed budget system, which will accumulate all the financial resources of the state.

Appropriate laws will be adopted to create the preconditions for:

creating an improved, stable revenue base for the budget, founded on a renewed taxation system;

working out a new budgetary classification, which will ensure that data are comparable with international figures; creating a source of financing the budget deficit that is not based on issuing money, particularly a source based, instead, on issuing state securities;

strengthening supervision of the receipt and expenditure of budget funds in line with the new budgetary classification, and establishing a state treasury at the Finance Ministry of the republic;

regulating the level of inflation;

making the budget indicators real, reducing expenditure and focusing it on the priority areas of the development of the republic's economy;

tightening control over the size of the foreign and domestic state debt and over their servicing.

The available reserves for the financial restoration of the economy will be used in order to carry out these tasks. These reserves are:

to restore fiscal discipline in the state and private sectors of the economy and ensure effective management of state property;

to improve the taxation system;

to end subsidies for unpromising enterprises in the production sphere and minimize them for the transport sector and public utilities;

to reduce expenditure on the upkeep of state administrative bodies.

A system of interbudgetary relationships will be formed, based on long-term norms for the distribution of taxes and for the provision of financial assistance to individual regions. At the same time, so as to ensure that the budgets of the regions are more or less balanced, measures will be taken to mobilize reserves to increase their revenue.

The regulation of enterprises' consumption funds, and especially the level of wages included in the cost of production, will be carried out on the basis of a new method for determining the cost of production and services.

Various extrabudgetary funds, established under state administrative bodies and funded by the state, will be abolished.

So as to restrain growth in the budget deficit, budget expenditure will be restructured and reduced.

So as to improve the structure of expenditure, it is planned to change the approach to financing the social sphere and priority sectors of the economy. This entails a need to:

continue the process of liberalizing prices;

close down loss-making enterprises;

gradually transfer individual establishments in the social sphere to self-financing conditions;

create a medical insurance system.

Taxation policy will be directed not only towards increasing the revenue side of the budget but also towards stimulating production. In this connection, the following measures will be taken:

the tax base will be broadened by introducing new taxes and by withdrawing individual and inefficient tax privileges;

the system of accounting and supervision of tax receipts will be improved;

double taxation on producers of goods, investors and entrepreneurs will be prevented.

Changes are proposed in the imposition of such taxes as profit tax, value-added tax, income tax, and others. An open method of imposing taxes will be introduced for individual entrepreneurs. The regulation system for customs duties will be improved.

The profit of enterprises in the priority sectors channelled into modernization and reconstruction will be exempt from tax, as will banks' profit made from leasing machines and equipment to these sectors.

A regressive scale will be introduced for the taxation of profit in individual sectors of industry as an experiment. The main aim of monetary and credit policy in the transitional period is to form effectively functioning monetary, credit and banking systems.

To carry out this task, the government and the National Bank of the republic will pursue a moderately tight monetary and credit policy, the main areas of which are:

to find resources to cover the budget deficit by issuing state treasury bonds and other securities;

to liberalize the policy on setting interest rates;

to channel the credit resources of banks primarily into ensuring the development of priority sectors and industries and into tightening supervision of the targeted use of those resources;

to strengthen the motivation of the population and legal persons to place their money in banks, by increasing interest rates on deposits and balances in accounts;

to tighten supervision of the way bank operations are conducted;

to improve the system of accounting and reporting and to accelerate payments by expanding the use of checks and promissory notes and by introducing electronic payments and other forms of clearing;

to enter the world banking payment system;

to form gold and foreign currency reserves to support the national currency's exchange rate;

to use foreign credits mainly for acquiring new technologies and for building enterprises that produce competitive output, while ruling out the practice of using credits for consumption;

to improve legislation on banking.

If banks fail to keep within the standard time limit for transferring payments, their licence to engage in banking activity will be withdrawn.

At the initial stage of reforms a most important task is to ensure the convertibility of the national currency. For this purpose:

the national currency will be established by legislation as sole legal tender on the territory of the republic;

a mechanism will be worked out for providing the domestic market with goods;

a moderate protectionist policy will be pursued in the field of imports;

credit discipline will be tightened;

strict control will be introduced on the circulation of money and on the outflow of capital from the country in any form;

a procedure for the rational and targeted use of foreign credits and the like will be ensured.

To improve the state of the balance of payments and to increase foreign currency reserves, measures will be taken to stimulate the export of goods and services.

The national currency's exchange rate will be allowed to float, and the exchange rate will be standardized by replacing the existing procedure for the compulsory sale of foreign currency with a requirement that net profit in foreign currency must be repatriated and that a proportion of that foreign currency profit, equal for everybody, must be sold on the foreign currency market.

Compulsory insurance of the population's savings and commercial banks' deposits will be introduced, and the system of supervision of the banking sector will be improved by using foreign audits.

A state bank for foreign economic activity will be set up with the aim of giving guaranteed servicing of foreign credits and of assisting the development of the republic's export potential. It is also planned to establish a Tajik bank for reconstruction and development.

An association of banks of Tajikistan will be set up with the aim of coordinating the activities of banks and dealing with issues relating to the whole banking sector.

The state creates favorable conditions for establishing joint and independent foreign banks on the territory of the republic.

Direct links will be established, and measures will be taken to join international banks, including the Asian Bank for Development and Reconstruction, and to become a party to the Washington Convention on Settling Investment Disputes. The process of liberalizing prices will be continued. At the same time, it is intended to achieve parity between prices for agricultural and industrial goods.

4. Privatization of state property

The government will take measures to accelerate the process of privatization of state property. It is proposed to privatize no less than two-thirds of state property by the year 2000. The privatization program will be reviewed in this light.

In carrying out privatization the government adheres to the following basic principles:

to combine compulsory (by carrying out the tasks in the state program for denationalization and privatization) and voluntary privatization of establishments;

to ensure that all strata of society, including workers in the nonproduction sphere, pensioners and students, have an interest in the process of privatization.

Special attention will be paid to using a variety of forms of privatization and to simplifying the mechanism for its implementation. Privatization will be conducted both free of charge and for money.

Privatization will cover all types of state-owned enterprises. It will not be restricted to loss-making enterprises or those which are on the verge of bankruptcy. Only those enterprises which are not subject to privatization, in accordance with the legislation of the republic, are excluded. The government will compile a list of enterprises which are not subject to privatization.

Turning enterprises into joint-stock companies of the open type will remain the priority form of privatization, with the state holding controlling blocks of shares at the first stage in strategic and certain socially important enterprises.

The privatization of property in the agricultural sector will be carried out taking into account the specific nature of certain sectors, enterprises and regions and in line with a special program.

Territorial-based programs will be worked out in order to carry out the denationalization and privatization of municipal property. These programs should contain the list of specific establishments which are subject to privatization, its forms, methods and the time-scale for its implementation, as well as the list of establishments which will be put up for auction and be sold on a competitive basis.

Foreign investors are allowed to take part in the denationalization and privatization of state property. The participation of foreign investors will be encouraged especially in the privatization of loss-making enterprises, establishments closed down temporarily and unfinished ones, as well as in the privatization of enterprises using imported raw materials, imported equipment and other materials, and those processing agricultural products.

Part of the funds received from privatization will be channelled into investing in and supporting privatized enterprises.

The government will take all measures necessary to carry out cogent privatization in the republic, it will also bring its influence to bear on the heads of all administrative bodies who put obstacles in the way of this process, and take measures so that documents relating to privatization will be examined in the shortest possible time.

In line with the tackling the housing problem, the privatization of living accommodation will be continued.

5. State support for enterprise The government will make efforts to support and develop enterprise in every

way possible, by using indirect economic methods as well as by directly supporting and controlling certain types of entrepreneurial activity.

The state is improving the legislative and regulatory base, forming an institutional basis for the consolidation of business circles, and creating a market infrastructure for entrepreneurial activity, with the aim of creating conditions for the formation and development of enterprise.

Support from the state for enterprise includes the establishment of a system of national, industrial and regional priorities.

To provide a legislative base for the development of enterprise, and that of small- and medium-scale businesses, it is planned to adopt a package of legislative acts guaranteeing rights and regulating entrepreneurial activity on a single conceptual basis.

A mechanism will be formed for constantly supervising the observance of legislative and regulatory acts governing business activity.

Special state bodies will comprise a system for supporting enterprise.

To form a system for control over the formation and development of enterprise, a multi-component structure will be created for the state to regulate the development of enterprise, medium and small businesses on various levels of the administrative hierarchy.

It will be ensured that business circles take part in the implementation of state programs and projects and that they receive state orders, including those based on competition. At the same time, the state will create favorable conditions for these projects to be implemented.

With the aim of creating a business atmosphere, the state is creating conditions to encourage the development of the institutional and financial foundations for enterprise, as well as conditions for obtaining access to resources, to advanced technologies, and for opening up foreign markets. A preferential taxation system depending on specific conditions will be introduced.

The state will give entrepreneurial structures support and assistance in forming their primary capital, and in creating and developing the means of production. For these purposes it is planned:

- to finance the creation of new small business enterprises and the development of already functioning enterprises out of the republic-level and municipal funds for financial support for small business and enterprise;

- to reduce the reserve requirements made of commercial banks which provide credits to medium and small enterprises at reduced interest rates, if the share of these credits amounts to a substantial part of the total volume of credit investments.

In addition:

A network of specialized banks involving state funds will be established to provide credit and payments services for small businesses;

Mortgage loans for enterprise organizations will be introduced as a practice, and a mortgage bank and an infrastructure for servicing mortgage loans will be set up;

Small business investment companies will be created; they will be subsidized by the state and by private capital on a business basis, and will provide credit for start-up entrepreneurs on preferential terms;

- the property and other interests of entrepreneurs will be insured.

The state will help set up information consultancy centers, business schools and "business incubators" to form and develop small and medium-sized businesses and increase their competitiveness.

6. Investment policy

A real and quite negative feature of the current state of the republic's economy is the investment crisis, which is determined on the one hand by the acute budget deficit and on the other by the fact that the emerging private sector is not interested in investing money in long-term projects. This situation is now deteriorating because of lack of reliable guarantees, and the not entirely favorable socio-political situation in society. Therefore, the most important of the priority tasks in the area of economic policy, in terms of preventing further industrial decline and carrying out structural economic reform, is to restore the investment activity of the state, enterprises and entrepreneurs.

Taking into account the limits of direct budget financing, the government intends to pursue an investment policy on the basis of the following principles:

- consistent decentralization of the investment process and ensuring that enterprises' own sources of capital accumulation play a more important role in financing their investment programs, in particular by setting increased norms for amortization allocations;

- state support for priority sectors and enterprises through centralized investments and by making a transition from nonreturnable budget-financing to credits on a return basis;

- providing a stimulus for the wider attraction of resources from commercial structures, banks and the population.

The state's own domestic financial resources are still the main source of investment in the republic. At the same time, the state is to take measures to attract foreign investment.

For this purpose, an effective system of state guarantees will be created for underwriting foreign and domestic investments, and for the formation of a optimally favorable investment climate.

In particular, it is planned to review legislative and regulatory acts, and to provide insurance for foreign and domestic investments.

Direct investments are being attracted through establishing joint ventures and company subsidiaries. Taking into account the fact that joint ventures are the most acceptable form of attracting investment in the early stages of reform in the republic, the government is taking a series of measures, of which the most important ones are as follows:

- to ensure in the manner prescribed by legislation that foreign investments are provided with guarantees against requisition, confiscation or other acts of force, and that dividends in freely-convertible currency can be freely transferred abroad;

- restrictions on the unlicensed export of products and services made by joint ventures are to be lifted for foreign investors whose shares in the authorized funds of these joint ventures account for more than 30 per cent;

- to exempt foreign juridical persons and joint ventures (where the foreign capital accounts for more than 30 percent of their authorized funds) from taxes on profit for a period of five years, starting from the time when they make first profit;

- to grant the freedom to set prices, to lay down conditions for selling goods, and to choose customers and suppliers;

- to give a five-year guarantee that the legislative basis in existence when the joint venture was registered will continue to be used, if it meets the interests of the joint venture;

- to grant the right and opportunity to set up enterprises with 100-per cent foreign capital;

- to create an information database about privatized enterprises, and to work out a mechanism for selling their securities to foreign investors via various investment companies, foundations and groups which are being established on the territory of the republic, with the participation of non-governmental organizations, including banks, insurance companies and manufacturing firms.

The government will take measures to coordinate taxation policy together with other countries, including those exporting capital.

7. Reform of foreign economic activity

The government's foreign economic policy will develop in the following areas:

liberalizing foreign trade and integrating the republic's economy into the world economy (at the stage of the stabilization of the economy, only the sale of cotton and aluminum will remain a state monopoly);

strengthening state supervision of foreign trade and foreign currency export operations;

tackling the problem of the foreign debt;

improving the structure of exports and imports by developing the country's export potential and facilities to produce goods that are currently imported.

In the case of imports, priority will be given to those types of goods which contribute to the modernization and technical re-equipping of domestic enterprises, saturate the domestic market with consumer goods and serve the interests of the budget. State support for imports will be aimed at enhancing their function as a form of investment.

In the period of stabilization, the state will ensure the centralized import of goods for state needs. The state will improve the customs tariff system with the aim of rationalizing the structure of imports, strengthening their fiscal role and regulating competition selectively.

In the period of stabilization the government will take measures to bring the volume of exports into line with that of imports.

The state's export policy will be aimed, first of all, at augmenting and making fuller use of the republic's export potential. The restoration and expansion of the volume of exports mean diversifying the range of exports by including new types of products in the catalogue of exported goods alongside traditional exports. The state will form an institutional base for exports and create cartels of enterprises for particular types of goods and areas of commercial activity. It will also establish associations of producers of export goods, trading houses and pools.

Taking into account the high transportation costs for domestic exporters, the government will take additional measures to support and stimulate them.

A special program will be worked out to develop international tourism in the republic. It will envisage the comprehensive development of all spheres of international tourism, including the necessary infrastructure.

The state will take measures to improve the position of the balance of payments and pursue a strict monetary policy.

A package of measures will be taken in a step-by-step manner to ensure the internal convertibility of the national currency as a stage in its transition to real convertibility.

For the phased tackling of the problem of the foreign debt, the government will restructure it and take measures for Tajikistan to join the London Club or the Paris Club. An appropriate state structure will be set up with the aim of coordinating and making more effective use of foreign aid received by the republic.

The Government of Tajikistan is of the opinion that it is in the republic's interests to maintain and improve equal and mutually advantageous relations with all other countries of the world. With the aim of forming a single market space in the CIS countries, ensuring the free movement of goods, capital, labor, and information, and optimizing the system of settlement and payment relations, measures will be taken to ensure the effective functioning of the Economic Union and its institutions, the Payment, Customs and Clearing Unions and the Economic Court.

8. Structural transformations in the economy

In the period of transition to the market economy, the government will direct its efforts towards tackling the strategic tasks of structural policy which will ensure a breakthrough in all sectors of the economy. Restructuring and modernization in the agricultural sector, the fuel and power, engineering and mining complexes and the infrastructure of the economy will be regarded as priority tasks.

The main areas of economic and structural transformations in the agricultural sector are as follows:

to carry out land reform, to educate the master of the land, to redistribute land in a socially just and economically sound manner and to create equal conditions for all forms of management;

to stimulate the rational use and conservation of land, to put an end to the processes of its degradation, to take measures to improve the fertility of land, to introduce a state land register and to carry out work on land tenure regulations;

to develop the territories of mountains and foothills on a large scale, to revive neglected villages and to tackle social problems in rural areas;

to hand over unused or badly used land for the establishment of small private farms, to expand the population's leasehold and personal plots of land and to provide state support for them;

to create diverse forms of management in agriculture and in the processing and other servicing sectors in the agro-industrial complex, and to put an end to monopolies there;

to introduce a tax on land (rental payments);

to rationalize the structure of agriculture in a way that envisages the development as basic branches of agriculture of horticulture, the cultivation of cotton, cereals and vines - with new land opened up on foothills - and the cultivation of tobacco and potatoes in mountainous areas and foothills;

to create a base of the republic's own for seed-growing and livestock-breeding;

to ensure the rational use of water and the conservation of water resources;

to create a regional system for monitoring the environment.

The priority tasks of the fuel and power complex are: to take measures to complete the construction of the Rogun and Sangtudin hydroelectric power stations and one cascade of the Pamir hydroelectric power stations;

to restore the existing capacity of small hydroelectric power stations which have been mothballed and to develop them further;

to increase the extraction of oil as much as possible;

to develop deposits of coal, anthracite and gas;

to use renewable and non-traditional sources of energy (sun, wind, geothermal water and others) on a larger scale;

to develop processes of cooperation and integration with regions that export fuel and power resources.

In the field of metallurgy, measures will be taken to increase the production of aluminium and products made from it and to boost substantially the extraction of gold, silver and other nonferrous metals. The development strategy for the mining and metallurgical complex envisages using prospected deposits effectively, expanding geological prospecting to discover new deposits, obtaining metallic mercury, antimony, silver, and other nonferrous metals and ensuring that the deep processing of raw materials and the extraction of gold are brought up to world standards. Work on developing the Bolshoy Kanimansur and Vostochnyy Kanimansur silver-polymetal deposits will begin. A state program will be worked out for developing the mining industry complex and for using the republic's raw mineral resources.

The priority tasks in forming and developing the infrastructure are as follows:

to accelerate the construction and commissioning of new transport routes;

to develop and reconstruct the main, regional and local transport networks and their stationary installations (stations, airports, terminals etc);

to privatize the public transport system, especially its rolling stock, and to set up companies, joint-stock companies and other market structures;

to pursue a policy for saving fuel and to accelerate the switch of transport to consumption of diesel and alternative types of fuel (binary fuel, gas and others);

to replace rolling stock with more modern, economical and environmentally friendly types;

to draw up a program for electrifying the railways; to demonopolize the air transport infrastructure and to replace the helicopter and aircraft fleets by making use of leasing operations;

to strengthen the material and technical base and to improve the operations of television, radio and other mass media;

to develop power and communications lines and other stationary installations belonging to the republic, which will remain the object of particular care and attention from the government;

to form a market infrastructure - that is, to create commodity exchanges, auctions, trade fairs, brokerage, insurance and holding companies, audit firms, employment services (labor exchanges), and legal firms to provide services for the market, transactions and contracts, as well as to provide information and advertising services for participants in market processes;

to create telecommunications and communications facilities geared to using honeycomb and satellite systems.

9. Social policy

The main aim of the state's social policy is to raise the level and quality of citizens' lives, to create conditions for them to display their physical and intellectual abilities, and to ensure the wellbeing of the family and its harmonious development. On the basis of the requirements of the Constitution, the state retains in full its obligations toward pensioners, the disabled, families with many children, and other groups of the population which have little social protection.

At the stage of transition to market relations, the main aim of the government is to prevent any further decline in the living standards of citizens in the low-income category and a sharp polarization of the income of the rich and poor sectors of the population.

Implementation of social policy will be carried out in the following areas:

promotion of efforts to ensure employment for the population and support for workers made redundant in the course of the restructuring of the economy and the decline in production;

state regulation of the level of the minimum wage, taking into account the real minimum subsistence level as it develops;

regulation of the incomes of the population through the introduction of a differentiated taxation system;

implementation of state programs to support the family, mothers, and children;

establishment of guaranteed social allowances for the unemployed, single mothers, orphans, refugees, the disabled, veterans, and mothers whose children have died;

meeting free of charge the minimum needs of pensioners, the disabled, and low-income citizens for housing, health care and medicines.

Indexation of the population's incomes will be carried out, with the aim of keeping the real incomes of the population and solvent demand on the consumer goods and services market at the necessary level.

A most important task in the area of employment is to implement a package of measures to prevent a considerable rise in unemployment. This will be complemented by measures to provide social support both for those forced into unemployment and for those strata of the population which are least competitive on the labor market.

The government of the republic will draw up an employment programme, which will serve as the basis for the preparation and implementation of corresponding programs in regions and industries. The state will subsidize employment programs connected with the redistribution of labor and the training and reeducation of personnel, if they:

are in line with the aims of the structural reforms in the economy, especially in the development of priority sectors and progressive technologies and industries;

facilitate the adaptation of middle-aged workers who have been made redundant because of structural changes and the introduction of new equipment and technologies, as well as those who have just begun working;

provide employment for the long-term unemployed;

are oriented toward reeducating and redistributing personnel within enterprises and reinforced by reforms in the intra-industry organization of work, the pay system, and methods of management.

Financial support from the state for an active employment policy entails excluding from enterprises' total tax payments the amount of money earmarked for training and reeducating personnel and for creating new jobs in the private sector for women with many children, adolescents, the disabled and the elderly.

Special attention is focused on developing and enhancing the effectiveness of the labor market infrastructure as well as on stimulating enterprises to use non-standard forms of employment which are appropriate for various groups of people 0- a shortened work week, "job-sharing," flexible working hours, part-time employment, and work from home.

Unemployed people looking for self-employment and having a certain sum of money can receive a long-term credit, especially if it is used to produce goods that can take the place of imports.

Regional programmes for direct job creation through the organization of paid, labor-intensive, socially-useful work for the unemployed will be drawn up and implemented.

A consistent policy will be pursued in the export of labor on the basis of intergovernmental agreements, and checks will be carried out on the conditions under which exported labor is used, on how appropriate the given job is to the worker's skills, on rates of pay and on social protection. The state will create conditions to enable citizens returning to this country after working abroad to adapt and find employment.

People who are deemed to be genuinely unemployed will be granted unemployment benefits. The level of these benefits will be in accordance with the minimum wage set by legislation and will be adjusted to take account of inflation.

Market conditions dictate the need to reform the current system for regulating social processes.

It is proposed to create an insurance system for old age and disability, which is intended ultimately to lead to an increase in private savings and to bring the proportion of social expenditure into line with the available funds in the budget.

Social programs formerly funded out of the budget will be gradually switched to self-financing on the basis of insurance payments made by enterprises and citizens.

The strategic task of social policy is to enable Tajikistan to join the world system of education, science, culture and health care.

In the sphere of education the following tasks have primary importance:

to create a modern system of pre-school and school education aimed at forming a person of high morals and at inculcating spirituality and patriotism;

to implement the principle that general education should be accessible and free of charge;

to develop alternative, extrabudgetary forms of funding the education sector;

to use no less than 10 percent of foreign investment for training and reeducating personnel.

The process of teaching at educational institutions will be carried out in line with standards accepted in world practice. The training of specialists at the expense of state funds will be implemented in accordance with a list of professions defined by the government.

A state program envisaging a multi-stage system for selecting and training staff will be worked out with the aim of coordinating and improving the quality of the training and reeducation of personnel, not only in the republic but also abroad.

In the sphere of science, a state program will be worked out to support and develop science, which will envisage measures to increase the funding of priority and fundamental trends in scientific research, to improve the material conditions of scientists, and to halt their exodus from the republic's territory.

The coordination of research on the national economy will be carried out by the Center for Strategic Research [Tsentr Strategicheskikh Issledovaniy], under the auspices of the president of the Republic of Tajikistan. The Academy of Sciences of the republic, the Academy of Agricultural Science, the Academy of Engineering, the Center for Strategic Research, the Tajik branch of the International Foundation for Economic and Social Reforms, and the Association of Economists in Tajikistan have been set the task of working out a plan for the country's scientific and technological policy.

National culture will remain the focus of the government's special attention. Its development will be based on principles of internationalism and close ties to the cultures of other countries and nations and, primarily, the representatives of nationalities and ethnic groups living on the territory of Tajikistan.

With the aim of preserving the existing cultural potential, it will be regularly financed out of the budget, and conditions will be created for developing commercial activity in this sphere. Measures will be taken to provide material support for people working in the sphere of culture.

Reforms in the health service system mainly concentrate on reinforcing the material and technical foundations of medical establishments and their staff, on improving the whole sanitary and hygiene situation, on introducing health insurance for citizens, with the state health service still provided free of charge as a social minimum requirement, and on creating a medical services market.

The state will take measures to provide stable financing out of the budget for the development of the social sphere. Nonetheless, as the population's welfare rise, social services of certain sort will be gradually commercialized.

10. Ensuring state economic security

As such negative social phenomena as corruption, bribe-taking, extortion and other forms of economic crime pose a serious threat to the political and economic system of the state, all available forces will be deployed resolutely to combat these phenomena and to eradicate conditions favourable for their development.

The establishment of strict order primarily in state organizations will have an important impact on the fight against economic crime. For this purpose, it is planned to adopt a package of laws envisaging strengthening the responsibility of employees of the state administrative and control bodies, of the law-enforcement agencies and the judicial system, for abuse of their official positions, and for causing economic damage to society. If the country's economic security is to be ensured, the state must gain full control over the use of national resources. The fight against all sorts of criminal elements who hinder the development of the economy will be intensified.

In addition to this, it is planned:

- to establish a procedure for state employees to declare their incomes;

- to prohibit employees of the state's administrative and control bodies from conducting private entrepreneurial activity;

- to elaborate and implement mechanisms to prevent state property from being bought at cut prices in the privatization process, and to ensure that the movement of blocks of shares in joint-stock companies is supervised;

- to improve the mechanism for fixing quotas and distributing licences;

- to take drastic measures to ensure that those structures that export state resources and illegally hold income in foreign currency in foreign banks accounts are made answerable;

- to form an effective unified single customs and banking control system over export revenues in foreign currency, as well as over re-export;

- to prevent non-state commercial structures and individuals from using state resources and property in order to make profit;

- to take measures to ensure that the republic takes part in international trade on equal terms;

- to improve the material and technical base and to upgrade the skills of personnel of the structures that ensure the country's economic security.

A plan for the country's economic security will be worked out, taking into account Tajikistan's strategic state interests.

11. Implementation of the program

For the purpose of implementing the tasks set out in this program:

1. Regional, town, and district administrations, ministries, and departments will work out appropriate regional and sectoral coordinated economic reform programs on the basis of this program, and submit them to the government of the republic.

2. Ministries, departments, and local administrations will examine the process of implementing the Economic Reform Program every quarter, and provide information to the Interdepartmental Council for Economic Reforms, Enterprise, and Foreign Investment under the auspices of the president of the Republic of Tajikistan.

3. Legislative acts ensuring the implementation of the Economic Reform Program are to be submitted in good time by ministries, departments, and other authorized bodies to the Supreme Assembly for approval.

4. Law-enforcement agencies will take measures to ensure law and order in the domain of the economy and state economic security.

5. The heads of regions, towns, districts, ministries, and departments are to be made personally responsible for implementing the Economic Reform Program.

6. The Interdepartmental Council for Economic Reforms will systematically analyze the course of economic reforms in the republic and prepare recommendations on correcting the course of reforms, taking account of the situation as it arises.

7. Explanatory and propagandistic work will be intensified among the population about the goals, tasks, and pace of reforms, in order to win the support of the people for the government's economic reform policy, to rid the people of the dependence mentality, and to mold pro-market behavior and thought. Culture, art, science, education, literature, and the mass media will play an increasingly important role in this.

8. Targeted, comprehensive programs will be elaborated and implemented to stabilize the economy as quickly as possible, and to impart consistency to economic reforms. The Ministry of Economy and Foreign Economic Relations, together with other ministries and departments, will draw up a list of these programs.

The Interdepartmental Council for Economic Reforms, Enterprise, and Foreign Investment, which has been established under the auspices of the president of the Republic of Tajikistan, is set the task of coordinating and regulating the course of economic reforms in the country.

Drafts of all regulatory acts relating to economic reform, enterprise and foreign investment are to be accepted for consideration in the prescribed manner, after preliminary discussion at the Interdepartmental Council for Economic Reforms, Enterprise, and Foreign Investment.

Uzbekistan

New Gas Field Comes On-Line in Karakalpakistan

LD2209142895 Tashkent NARODNOYE SLOVO in Russian 21 Sep 95 p 3

[Unattributed article: "The Urga deposit is a beacon of hope"]

[FBIS Translated Text] The Urga gas deposit has been put into operation. Its commissioning means that the economic complex of the Republic of Karakalpakistan will be fully provided with cheap fuel for many years to come. Only during the winter period will additional natural gas from other deposits be delivered here and to Khorezm region.

Work on the deposit started in the fall last year. A flame of gas shot up into the sky in the locality of Urga, ten km from the former village of the same name, heralding the fact that from now on Karakalpakistan will have its own gas. The Aral Sea, which has become shallow and is receding further and further from its shores, is repaying with good the evil done by people. The dried-up sea bed has given a unique gas deposit, whose quality exceeds many others.

Ongarbay Alimbayev, head of the Urga gas deposit, said: "The gas from the new deposit is pure, without admixtures. It contains very little water and condensate. It will not need much effort to purify it, as at other deposits." According to geologists, the natural wealth does not lie deep and was found in all the wells drilled.

The construction of the deposit workings started in May 1995 and the site was handed over by September. The specialists of the sixth Building and Assembly Directorate, the Yuggazstroy trust, and the Urgenchtransgaz state enterprise managed to build it at record speed.

Five wells are now operating at the deposit, and gas separators and a store for gas condensate have been constructed. Transportation has been arranged to the Kungrad gas condensate plant, which is capable of processing 5,000 cubic meters of condensate a year.

According to specialists' forecasts, the Urga deposit will in the near future provide billions of cubic meters of gas to the economy of Karakalpakistan and Khorezm region.

Republic's Defense Doctrine

LD2209151995 Tashkent NARODNOYE SLOVO in Russian 15 Sep 95 p 3

[Unattributed article: "Military Doctrine of the Republic of Uzbekistan"]

[FBIS Translated Text] Passed by resolution of the Supreme Assembly of the Republic of Uzbekistan on 30 August 1995:

I. General provisions

The Military Doctrine forms the basis of the defense policy of the Republic of Uzbekistan and represents an integral part of the overall state concept of national security, being based on fundamentally new approaches to foreign policy, interstate relations, and the problems of war and peace.

Uzbekistan became an independent state in an era of historic change in which the cataclysms of global ideological confrontation became a thing of the past, the cold war ended, and the immediate threat of world war was significantly reduced.

At the same time, the changes in the structure of international relations and the formation of a new system of power balances have been accompanied by the appearance of areas of tension and conflict and the intensification of various forms of extremism and terrorism.

In this context, the young independent state's defense capability and the bolstering of its security are particularly relevant.

Having declared itself independent and started along a road of reviving its spiritual and intellectual values and conducting radical economic, political, and social transformations, Uzbekistan is building a law-based, democratic, and secular society.

Proceeding from this basis, the Republic of Uzbekistan, as a sovereign state and as a subject in terms of international relations, bases its defense policy on the principles of peaceful coexistence with all countries, noninterference in the internal affairs of other states, respect for their sovereignty and independence, as well as the integrity and inviolability of existing interstate borders. The Republic of Uzbekistan strives to establish and develop multilateral ties with all states and to achieve all-embracing peace, universal sociopolitical stability, and demilitarization;

The Republic of Uzbekistan believes that the development of mutually beneficial relations with all countries creates favorable conditions for improving the lives of its people and strengthening its social system, which is based on the generally accepted standards of international law and on the principles of democracy and social justice.

While pursuing a peaceful policy in its international relations, the Republic of Uzbekistan simultaneously undertakes the functions of protecting the life and dignity of its citizens and implementing its inalienable right to defense in line with the United Nations Charter; and it ensures the state's military might and defense capability at a level of reasonable sufficiency.

I. Political aspects of the doctrine

The attitude of the Republic of Uzbekistan to war.

The Republic of Uzbekistan is resolutely against war as a method of resolving international or interstate problems, and views the principal goal of its foreign policy as being to take an active part in preventing military conflicts between world community states through preventive diplomacy and through efforts to eliminate or overcome the reasons for disputes to intensify.

Preventing war and the danger of war is the main strategic area.

In proclaiming that the prevention of war and the danger of war represents the main strategic area of its foreign policy, the Republic of Uzbekistan declares that:

— it will not use its Armed Forces against any other state, except to repel an attack on the Republic of Uzbekistan or on other states that are linked to Uzbekistan by relevant treaties on mutual military assistance.

— it does not threaten anyone, it considers no world state its enemy, and it has neither territorial nor any other claim against any state; it is ready to build relations with all countries on the basis of international law and of mutual regard for security interests;

— it adheres to the nuclear-free principles of nondeployment, nonproduction, and nonacquisition of nuclear arms.

The main criteria for the Republic of Uzbekistan's international activity in the sphere of preventing war are:

— increasing the role of the United Nations and other international organizations in insuring general security;

— active integration into international and regional structures whose main aim is to insure peace, stability, and cooperation between states and peoples;

— developing a system of regional security for Central Asia with the active participation of the states concerned and the world community;

— universal prohibition of nuclear testing and ultimately the creation of the preconditions for moving from the Treaty on the Non-Proliferation of Nuclear Weapons to a Treaty on the Total Prohibition of Nuclear Weapons;

— declaring the Central Asian region a nuclear-free zone;

— the general elimination of chemical and bacteriological weapons and other weapons of mass destruction, the accession of the Republic of Uzbekistan to the convention on the prohibition of chemical weapons, and its involvement in negotiations on banning bacteriological weapons;

— prohibition of the development, testing, and production of substances which have a harmful effect on the human mind and of tectonic and other types of weapon;

— developing coordinated measures for effective control over the supply of, and trade in, armaments in the region, with the aim, among other things, of preventing arms supplies to illegal military units. These measures are to be based on exchanges of information, mutual inspections, regular consultations and the use of national monitoring resources;

— encouraging efforts to actively carry out conversion by providing financial backing in the form of gratis aid and preferential-term credits;

— the reduction of conventional weapons and armed forces in all countries and the expansion of mutual confidence-building and security measures;

— developing interstate military cooperation which will promote openness in military construction and an expansion in military contacts;

— the prevention of ethnic and religious intolerance in international relations;

— putting a stop to rising trends of fundamentalism, extremism, and terrorism;

— the creation of a system of lasting interstate relations based on mutual obligations to maintain peace and on mutual renunciation by all states of the use or threat of military force;

— a consistent reduction in foreign military presence on the territory of other states, with the ultimate aim of having troops based only within national borders;

— the transformation of military-political alliances into instruments for political cooperation on both regional and world scales.

II. Military organizational aspects of the doctrine.

The specific character of the Central Asian region.

Uzbekistan is a firm and consistent advocate of insuring security and stability in all regions, above all Central Asia. The specific character of this region and its geopolitical location are such that if events develop unfavorably it could be a major detonator of instability all over the world.

There are about 60 million people of various ethnic and religious groups living in Central Asia. There are nuclear weapons accumulated here, as well as conventional weapons of great destructive power. Conflicts in this region could cause catastrophe of unimaginable proportions.

At the moment there are effectively no borders in the classical sense of the word between many of the countries in this region.

Should the military political situation in the world and above all in the Central Asian region develop in an unfavorable manner, the Republic of Uzbekistan may be urgently faced with the issue of insuring its own security.

While emphasizing the primacy of its diplomatic political, and other, peaceful efforts in the cause of preventing war, the Republic of Uzbekistan also considers it necessary to bolster its defense capability.

Potential sources of the danger of war.

The potential sources of the danger of war are:

— the high concentration of military groupings in various the regions of the world;

— the unremittingly tense political situation in the world;

— the proclivity of certain states, or blocs of states, toward pursuing policy from a position of strength;

— the aspiration of certain states to build up groupings of armed forces close to the borders of other states;

— the instability of the political situation in adjacent countries, and the possibility that this will escalate;

— the actions by certain states to boost their influence over the situation in countries of the Central Asian region;

— acts of terrorism committed in the region by extremist political organizations and illegal military formations, as well as their efforts to incite nationalist feeling and religious intolerance.

The nature and consequences of contemporary wars.

Under the circumstances generated by the positive changes in the world, the likelihood that a new world war will break out has been reduced. At the same time, there is an increased danger that local wars or military conflicts will break out in various regions of the world, and these too may have consequences on a world scale.

In assessing the strategic nature and consequences of contemporary wars, the Republic of Uzbekistan proceeds from the following tenets:

— a nuclear war cannot be local, and if it is started by any state it will produce catastrophic consequences for the whole of mankind;

— local wars involving conventional means of destruction which take place between states that are repositories of large amounts of accumulated chemical weapons and highly destructive weapons may also take on world proportions and entail similar consequences for the whole of civilization.

Improvements in military technologies and the developments in the means of armed struggle create the preconditions for military conflicts to grow into local wars, and local wars to grow into a war on a regional or world scale which might at any stage grow into a nuclear war.

The Republic of Uzbekistan reserves the right to make use of its military potential in order to put a stop to aggression directed against itself or against any state linked to it by relevant treaties on mutual military assistance.

Main strategic military tasks.

The main strategic military tasks of the Republic of Uzbekistan are:

— in peacetime: to maintain the state's defense capability at the level of sufficiency that is necessary to guarantee the republic's territorial integrity, to put a stop to possible provocations and encroachments on its sovereignty, and to insure that its armed forces are constantly ready in every respect to repel aggression, both independently and in cooperation with the armed forces of the [CIS] Collective Security Treaty participant states;

— in the event of war: to guarantee that aggression will be repelled to inflict a decisive defeat on the aggressor both with its own forces and in conjunction with the joint military potential of other states linked to the Republic of Uzbekistan by relevant treaties.

Principles for the construction and strategic use of the Armed Forces.

Construction of the Armed Forces, improvement of their structure and readiness, and definition of the principles for their use in combat take place in line with an assessment of the danger of war, the possible nature of warfare, the volume of defense tasks, and the republic's economic potential.

Construction of the Armed Forces is founded on the creation and balanced development of services and arms of service of troops and special troops such that these are capable of insuring the defense of the Republic of Uzbekistan.

The Armed Forces of the Republic of Uzbekistan consist of the Ground Troops, the Air Force, the Air Defense Force, the special and engineering/construction troops, and the National Guard.

The objective behind constructing the Armed Forces is to bring them into line with the specific character of the state system and the physical and geographical conditions of the region, and to develop and use the Armed Forces services, the arms of service and the principal types of armament in a coordinated manner.

As reforms are implemented, great importance in the construction of the Armed Forces is attached to maintaining the combat potential of peacetime troop formations at a level that will insure that aggression on a local (regional) scale can be repelled.

In the event of war the Armed Forces carry out assignments in conjunction with the border troops of the National Security Service and the interior troops of the Ministry of Internal Affairs, which in wartime represent an operational reserve for the Supreme Commander of the Armed Forces of the Republic of Uzbekistan.

The Armed Forces of the Republic of Uzbekistan are founded on the principles of a regular, [professionally] staffed army.

The Republic of Uzbekistan makes a connection between the Armed Forces' composition and structure, their technical equipment level, upgrades in the means of armed struggle, personnel training, mobilization resource and reserve requirements, and funding for military construction; and the need to adhere to the principle of reliable and reasonable sufficiency for repelling aggression both independently and in cooperation with the armed forces of the Collective Security Treaty participant states.

The Republic of Uzbekistan is pursuing a set of measures designed to maintain its Armed Forces in a state of constant combat readiness, to provide them with the requisite material and technical resources, and to prepare the national economy, population and territory for repelling aggression.

Raising the standard of preconscription training, a universal increase in the health of adolescents, and training for military specialists form the basis for state programs.

Policy on military technology is based on equipping the troops with modern equipment and weapons of a world-class standard, and on pursuing scientific-research, experimental and design developments in this area.

While directing its efforts toward counteraction, the Republic of Uzbekistan nevertheless views it as necessary to undertake measures to deter an aggressor, and it maintains the Armed Forces in a state of readiness that will rule out the possibility of sudden attack and insure that any aggressor receives an immediate rebuff.

Defense represents the principal form of strategic-scale military action after the onset of aggression. At the same time, depending on the circumstances, offensive operations along certain axes are not to be ruled out.

In this context, in peacetime the troops train to prosecute combat operations in any scenario, including the use of nuclear weapons by the enemy.

The operational and combat training of staff headquarters and troops is designed to make them acquire and improve the methods of preparing for and prosecuting operations of both a defensive and offensive nature.

The training and education process for personnel is designed to produce punctilious fulfillment of combat duty assignments, to raise the level of combat readiness and the quality of operational and combat troop training, proficiency in the handling of weapons and military equipment, and the techniques of using them effectively; and the development of personnel's loyalty to the Republic of Uzbekistan, to their own people, to the military oath, and to their military duty, of a deep respect for the history and traditions of their homeland, and of a high degree of personal responsibility for the defense of their motherland.

In peacetime the Republic of Uzbekistan makes provision for expanding the engineering/construction troops with the aim of developing the Armed Forces' infrastructure and carrying out the state's strategic economic programs. In the event of war the engineering/construction troops will be used to construct defensive works, set up communications, and carry out accident repairs.

Conditions for using the Armed Forces.

Taking the view that peaceful efforts do not always allow wars or armed conflicts to be prevented, the Republic of Uzbekistan reserves the right to use its Armed Forces:

— to repel attack on the Republic of Uzbekistan;

— to fulfill its treaty obligations for mutual defense in the face of aggression;

— to carry out peacekeeping operations under UN auspices, as well as within the framework of the Partnership for Peace program.

The President of the Republic of Uzbekistan, as Supreme Commander of the Armed Forces, makes the decision and issues the order to prosecute combat operations.

In order to halt and remove the threat of destabilization of the domestic situation or of disruptions to the functioning of the state authority and administration bodies — such threat or disruption endangering the security of citizens, society or state — the Supreme Commander has the right to use the Armed Forces to stabilize the situation; this decision is subject to discussion by the Supreme Assembly of the Republic of Uzbekistan at a later date.

Overall management of the planning for strategic use of the Armed Forces together with the interior troops of the Ministry of Internal Affairs and the border troops of the National Security Service is carried out by the Ministry of Defense of the Republic of Uzbekistan.

Preparation of the republic's economy, territory and population for defense.

An important area for bolstering the state's defense capability is that of preparing the economy, state bodies, and administrative system to mobilize for wartime functioning, and preparing the country's territory and population for defense.

Such preparations require that a set of organizational and practical measures be developed and implemented in peacetime to allow — in the event of military aggression — maximum human reserves and material and technical resources to be mobilized and the national economy to move to a war footing, all within the shortest possible space of time.

Preparation of the economy for mobilization encompasses:

— creating, and maintaining in a state of readiness, special formations and institutions designed to insure state security in wartime; to carry out reconstruction, operational, repair, construction and other work in industry, in the transportation sector, on the highways, at communications facilities, and in medical care organizations, and for other needs; and to transfer these formations to the Armed Forces or use them in the Armed Forces' interests.

Preparation of the territory for defense is carried out well in advance in peacetime and wartime by implementing a range of measures in the interests of deploying, redeploying, concentrating, and providing combat coordination for all services of the Armed Forces, and of protecting important rear-sector facilities and the entire national economy from the effects of modern means of destruction.

General state measures are implemented by creating and developing all means of communications and transportation, preparing communications and control systems, developing the network of depots and stockpiles for the state and mobilization reserves, preparing enterprises and organizations earmarked to carry out defense orders, and making arrangements for these to be viable and protected.

Preparation of the population for defense is carried out by pursuing a range of state general and practical measures both in peacetime and in wartime.

Military training of the population is carried out with a view to insuring a high peacetime level of combat readiness of the Armed Forces, pursuing staffing-up and full mobilization programs in order to bring reduced-composition and reduced-strength formations and units, as well as newly formed formations and units, up to their wartime strength, as well as making up for losses in the period of threat or in wartime.

Military training of the population is carried out:

— within the training system for military conscripts and those liable to conscription at schools and other academic institutions and in the educational organizations of the Vatanparvar Society for assisting the defense of the Republic of Uzbekistan;

— in the Armed Forces of the Republic of Uzbekistan, whereby personnel serve out the conscription period, persons liable for military service improve their knowledge through various refresher programs, and cadets are taught at military colleges.

— at military academies, and at military faculties and departments of the republic's civilian institutions of higher learning;

— in special formations which are transferable to the Armed Forces.

Legal foundations of the Military Doctrine.

The Military Doctrine of the Republic of Uzbekistan is founded on the Constitution and laws of the Republic of Uzbekistan, which regulate the state's activity in preparing the country for defense, organizing action to counter threats to its military security and using the Armed Forces to defend the vital interests of the Republic of Uzbekistan.

In declaring the essence of its Military Doctrine, the Republic of Uzbekistan guarantees that it will adhere strictly to all international obligations arising out of the United Nations Charter, the Helsinki Final Act, the Stockholm Conference document, bilateral and multilateral treaties and agreements, and the generally recognized standards of international legal acts.

Reliable defense capability for the Republic of Uzbekistan and a high level of combat readiness of its Armed Fores are insured through the development of economic, military technical, and scientific potential, through the cohesion of Uzbekistan's people, and by educating every citizen in the spirit of patriotism.

Armenia

Minister Notes Need For Strong Army on Independence Day

NC2309064995 Yerevan Radio Yerevan International Service in Armenian 2034 GMT 21 Sep 95

[FBIS Translated Excerpt] Dear compatriots, a ceremony was held today [21 September] at the military academy of the Armenian Defense Ministry on the occasion of the 4th anniversary of the proclamation of the republic. Armenian Government officials, high-ranking officers from the Armenian and Russian armies, deputies, ambassadors accredited to Armenia, and other guests attended the ceremony. We now bring a report by Hasmik Ulukyan.

[Begin recording] [Ulukian] There were twin ceremonies at the academy. The first graduates had completed their courses and were to receive their diplomas and officer rank on this ceremonious day. The parade was opened by Colonel Avakian, deputy director of the military academy. He reported to Levon Ter-Petrosyan, commander-in-chief of the Armenian Armed Forces and president of Armenia, on the cadets' readiness for the parade. Levon Ter-Petrosyan greeted the participants in the ceremony:

[Ter-Petrosyan] Greetings to the participants in the ceremonies dedicated to the 4th anniversary of the independence of the Armenian Republic.

[Ulukyan] Armenian Defense Minister Vazgen Sargisyan also greeted the participants in the ceremony.

[Sargisyan] Esteemed Mr. President, leaders of the Armenian Republic, gentlemen, generals, officers, servicemen of Armenia, and distinguished guests, the Armenian Republic's 4th anniversary coincides with the wonderful occasion of the opening of the new branches at the military academy and of the completion of the courses by its first graduates.

Last year I had the opportunity to (?revamp) our higher military institution with the help of the Armenian Republic's University, established at the turn of the century. The relative calm of the past year and a half demonstrate that this time has not been spent in vain. Rather, in our opinion, in its present form this significant institution has exceeded all our expectations.

Armenia's Army has completed its efforts to raise its numbers and has embarked on an intensive phase of qualitative development. What sort of an army do we want? We must have one of the world's best organized, regular, and centralized armies. And to have such an army we must have a place to produce cadres. Hence this is the hearth and the fountainhead for the qualitative advancement of Armenia's Army; it is here that we will raise our army's officers, who will complete the officer corps of our army in the next few years and will lead our military successes to a final victory. Therefore, I want each soldier and general to have a lofty, statesmanly discernment so that each of us may realize that the republic's leadership is working and will work by resorting to every political method to bring our military successes to a victorious conclusion. However, no political method can work if we do not have a strong and staunch army. Our people, who for centuries had been (?lulled) by the vain (?rhetoric) of moral successes, have, thanks to (?us), freed themselves from the complex of martyrdom and are expecting new successes from us and you. They expect that we, the military, will turn the successes into a final victory.

Glory and praise be to our people for enduring many difficulties and managing to (?lay the foundation) for such an army. But the war has not yet ended, we have no right to become tired and are obliged to strengthen the Army in every field.

Glory and praise be to our republic's leadership, which managed within four short years to correctly govern its people and managed to create, besides other things, such an Army. However, each of us realizes well that this is only the beginning of the work and we still have to cover a great distance.

Glory and praise be to the glorious Armenian Armed Forces, which in a short period have managed to attain solid military successes. We are convinced that these successes will eventually be crowned with a final victory. I congratulate you. [end recording] [passage omitted]

Chief on Ter-Petrosyan's Staff Activities

954F3500A Yerevan VREMYA in Russian 20 Sep 95 pp 1-2

["Exclusive" interview with Shagen Karamanukyan, chief of staff of President Ter-Petrosyan, by Artem Yerkanyan; place and date not given: "If Ter-Petrosyan Goes, I Go"]

[FBIS Translated Text] You would not call him a politician in the direct meaning of this word. But a person in attendance on the president is for this reason alone a political figure. Especially if we are talking about Shagen Karamanukyan, the head of state's chief of staff, who kindly consented to an exclusive interview.

[Yerkanyan] The name of Sergey Filatov, who holds the position analogous to yours in the president of Russia's team, is heard in the Russian news media just about daily. You, for some reason or other, are constantly in the background....

[Karamanukyan] It should be considered that Filatov is not chief of staff but head of the administration of the president of Russia and in this sense, possessing broader powers, he performs a significantly greater role in the social and political life of his country. His person is lent particular significance by the fact that he is responsible for relations with the regions (here with us—before the new constitution was adopted—these powers were entrusted to the leader of the Control Service, in the new cabinet, though, as we know, provision is made for the office of minister for the affairs of regional government). In addition, it should be considered that Filatov was a well-known politician even before he assumed the position of head of the administration of the president of Russia.

[Yerkanyan] If we are to believe the ratings based on polls of political observers, the name of Shagen Karamanukyan is firmly entrenched among the 20 most influential politicians of the state. What do you think, which of the mechanisms you control permits observers to assign you so serious a role?

[Karamanukyan] I believe that this is too subjective an assessment. It is possible to talk confidently only about the place of the five, at the most, 10, most influential politicians. So it is perfectly possible to doubt the justification of the role which is assigned me. But even if we take such assessments as a basis, it needs to be borne in mind that we are talking not about Shagen Karamanukyan personally but about the person who occupies the position of the president's chief of staff. Observers familiar with the inner workings of Armenian politics most likely took account primarily of my knowledgeability and level of relations with the country's top leadership.

[Yerkanyan] As a research worker, Shagen Karamanukyan has become a politician?

[Karamanukyan] The movement found me as a member of the staff of the Oriental Studies Institute. From its first days (this was back in 1987) my friends and I were in the thick of events: We collected signatures, prepared petitions.... And as of the start of 1988—Freedom Square. At the Second AOD [Armenian Pannational Movement] Congress I was elected a member of the board. After the switch to public service in 1990, I was forced to give considerably less time to party work, although organizationally and ideologically I was linked with the AOD, as before.

[Yerkanyan] And immediately the high position of adviser to the head of state.

[Karamanukyan] This was the purely formal name of the position. In fact, however, I performed the functions of an aide. The point being that on the list of staff of the former Armenian SSR Supreme Soviet Presidium there was only one staff aide (this was sufficient at that time for the office of chairman of the Presidium was, as you know, mainly representational). But under the new conditions, when the chairman of the Supreme Council was, in fact, the head of state, the amount of work increased sharply, and more advisers had to be brought onto the staff. The staff adviser, however, was Aleksandr Arzumanyan—now Armenia's representative at the United Nations.

[Yerkanyan] The staff of the Supreme Council was at that time more modest, most likely, than the president's staff?

[Karamanukyan] The structure and functions of the Supreme Council at that time were totally different. The staff was more of auxiliary significance, and it was under the direction of Ara Saakyan, secretary of the Supreme Council. The chairman, on the other hand, worked with the commissions directly.

[Yerkanyan] In creating the structure of the president's staff you probably relied on the vestiges of the system inherited from the communists?

[Karamanukyan] There can hardly be any talk of inheritance in this sphere. The institution of president of the republic was entirely new, and in forming the staff we had to start practically from scratch. We studied the structure of the presidential teams in various countries, attempting to pick out all that was most rational and applicable to our conditions.

[Yerkanyan] What is the structure of the president's staff today?

[Karamanukyan] The president's staff may conditionally be divided into two functional parts: the "large" and "small" staffs, as it were. The first of them, which is subordinate directly to the president, includes his advisers, the press spokesman, aides, the Analysis Department, and the Control Service. The number of advisers is changing constantly. Following the departure for parliament of Samvel Gevorkyan, there are now four. The chief adviser, Zhirayr Liparityan, who has his own small staff, coordinates the work of the Security Council, which is led by the head of state. Ktrich Sardaryan deals with constitutional-legal matters, and Nikol Shakhgaldyan is responsible for analytical work. Military matters are in the charge of Lieutenant General Dalibaltyan, who has the status of chief military inspector.

[Yerkanyan] As far as I know, there are also structures that are subordinate to the vice president?

[Karamanukyan] The vice president is the head of the Socioeconomic Council, on which five or six research employees responsible for the expert evaluation of economic edicts work.

One of the experts of this council—Eduard Agadzhanov—recently became a member of the government, taking charge of the Statistics, Official Register, and Analysis Administration. The vice president also handles on behalf of the president a number of various other areas, specifically, the work of the all-Armenian Ayastan Foundation. Practically all edicts and directives are drawn up with his participation. He is also in charge of legal matters and also matters connected with pardons, the granting of citizenship, and the conferment of awards.

[Yerkanyan] What does the "small" staff represent? The structures that constitute it are directly subordinate to you, it has to be thought.

[Karamanukyan] The Legal Department is one of the most important. There are also the Protocol Department, the General Department, the Department for Consideration of Citizens' Petitions, and the Department for Pardons, Awards, and the Granting of Citizenship. The Press Office is subordinate simultaneously to me and the press spokesman.

An important functional component of the staff is the Administrative Department, which handles building maintenance, facilities support and technical matters, and the reception of visitors. The motor pool, which has 25 passenger cars, is within its jurisdiction also. Fewer than half of these are "personal" cars, that is, assigned to particular offices. The majority of the cars are used for this official assignment or the other arising in the process of the activity of the office of the president. There are only 20 drivers in the motor pool. This is explained by the fact that a number of vehicles fall into the so-called "guest" category used only to accommodate members of foreign delegations and honorary guests. There are approximately 70 senior officials on our staff (excluding support personnel).

[Yerkanyan] To whom is the security service subordinate?

[Karamanukyan] This is a separate service subordinate directly to the president. It cooperates closely with the ministries of national security and interior.

[Yerkanyan] It is rumored among the people that, aside from the official symbolic pay, members of staff of the president's office receive in addition dollar bills in accordance with another list, which is kept securely in a drawer of your desk....

[Karamanukyan] These are just rumors. As far as the low pay is concerned, I personally consider this abnormal. If you knew how many experienced and necessary specialists have left merely because the pay is low here: press spokesmen, aides, department heads....

A system of the issue of the employees with "coupons," as it were, for subsidized meals during the lunch break is practiced in some state institutions. This matter was raised both with us and in the Supreme Council staff, but both the president and the chairman of the Supreme Council were categorically opposed.

[Yerkanyan] And the president himself. What is his pay?

[Karamanukyan] It is 8,100 dram—the minimum wage times 15. The president gives part of it to the Ayastan Foundation.

[Yerkanyan] But he and his family probably enjoy certain privileges?

[Karamanukyan] Everything that the president enjoys—both the dachas and the residence—has been specified by a decision of parliament. The National Assembly will shortly consider the bill "Pay, Services, and Security of the President," and all the "i's" will have been dotted conclusively.

[Yerkanyan] Concerning the residence, incidentally. Who currently is living on the grounds of the "Proshyanovskiye dachas" other than the president himself?

[Karamanukyan] The speaker, the vice president, the prime minister, and the leaders of the power ministries—the ministers of defense, interior, and national security. Aside from them, Zhirayr Liparityan, and Nikol Shakhgaldyan, who do not have their own apartments in Yerevan, live there. The Russian Embassy is temporarily located on the grounds of the dachas also.

[Yerkanyan] Do all have individual residences?

[Karamanukyan] Not all. There are two- and three-apartment houses. When he was a minister of state, S. Tashchyan was Liparityan's neighbor, for example.

[Yerkanyan] How many rooms does the president have?

[Karamanukyan] I find it hard to say exactly, but I know that only three or four are used. There are other rooms also, of course, which are intended for official receptions, the room, for example, where the president gives dinners in honor of important guests. But they are used extremely rarely.

[Yerkanyan] I have heard that the president has a personal chef.

[Karamanukyan] This is not the case. Chefs have to be hired from outside even for those same dinners. We apply to the services of the public catering organizations, which at other times serve, possibly, you and your readers also. We give an order, hand over the money.... Deputies from the opposition parties inquiring about the sources of the funds spent on the latest reception frequently come to see me. I have all estimates to hand. The budget specifies the amounts allocated for representation expenses.

[Yerkanyan] What rights do the members of the head of state's family enjoy?

[Karamanukyan] The only thing I can mention, other than protection, is an automobile. The family is assigned one Volga.

[Yerkanyan] The Mercedes which the president uses is still the same one that Moscow made available in 1990?

[Karamanukyan] We have no other bullet-proof cars. I recently proposed that we purchase one more. But the president is opposed to us "spending money on luxuries." But this is far from a luxury, in my view. So many visitors are coming to Armenia. You never can tell. Just one incident....

[Yerkanyan] And the aircraft? It is a special one also?

[Karamanukyan] No, a regular TU-134, with a somewhat altered cabin. The crews (main and backup) fly other aircraft also. Nor is the airplane itself used only by the president: Both the premier and the Catholicos have flown on it repeatedly.

[Yerkanyan] The president has two dachas. What does he need the second one for if he never uses it?

[Karamanukyan] Well, first, these are not private but official dachas, whose jurisdiction is not yet entirely settled. He has, indeed, never been to the dacha in Dilizhan, and the president has spent his vacation at the Sevan dacha only once. He sometimes receives visitors there and conducts negotiations: It has all the necessary conditions for this.

[Yerkanyan] For the last question I would like to return to you personally. Let us suppose that at next year's presidential elections Levon Ter-Petrosyan is beaten by a candidate of the opposition. Would you agree to stay on as part of the new president's team?

[Karamanukyan] No, of course not. If Ter-Petrosyan goes, I go. After all, say what you will, the position of chief of staff is political, for all that.

Armenia, Iran To Interconnect Power Systems

LD2309132795 Moscow INTERFAX in English 1236 GMT 23 Sep 95

[FBIS Transcribed Text] YEREVAN, Sept 23 (Interfax) — Armenia and Iran are currently drawing up a program for joint construction of electric power lines and joint use of the Araks river's hydro-potential.

An official from the Armenian Energy Ministry, Robert Khazaryan, said he believed that cooperation between Armenia and Iran in the power sector was "very promising."

Khazaryan told Interfax that Armenian and Iranian power officials had held talks in Tehran in September and decided to create a joint coordinating company which would involve firms from both countries. The company will have to form a special engineering and consulting association which will hold its first meeting in Yerevan at the end of October. The association will work out a program for using the hydro-potential of Araks' section close to the border.

If this project develops successfully, each party will build hydroelectric power stations with a total capacity of 105-110 megawatt each.

Khazaryan said the Armenian and Iranian power systems had in fact already been united. In particular, the construction of electric power lines on the Iranian section of the new Iran-Armenia energy system has already begun. Khazaryan said this project was highly likely to be completed before August-September 1996.

The construction operation on the Armenian section is now being planned. The Armenian Energy Ministry is looking for funds.

Armenia currently produces 15 million kWh of electricity per day which is about 50 percent of the country's need in electricity.

Azerbaijan

Baku Favors Compromise on Oil Transportation

LD2209115595 Moscow INTERFAX in English 1018 GMT 22 Sep 95

[FBIS Transcribed Text] MOSCOW, Sept 22 (PIA - Interfax) — Baku does not exclude the possibility of transporting early oil from its Caspian zone via two routes - the Russian and the Georgian, a source at the Azeri government told Interfax Friday.

"A compromise on the early oil transportation route is most probable. The compromise will ensure the oil transportation in two directions - to the Russian port of

Novorossiisk and the Georgian port of Poti," said the source.

According to him, the Russian and Georgian pipelines will "duplicate each other." The route will be chosen depending on preparedness and reliability of the pipeline, he said.

The Azeri International Operational Company, which coordinates the Azeri Caspian shelf development project, continues consultations with the Azeri leadership. The final decision is due before October 9.

The project includes exploitation of three oil fields with an overall stock of 400 million tonnes of oil. The first phase of the project provides for exploitation of the Chirag oil field, whose early oil is expected to come in late 1996.

The oil fields will be developed by a consortium of the Azeri State Oil Company (10%), the US Amoco (17%), Unocal (11%), Mc-Dermott (2.4%), Pennzoil (9.8%), Ramco (2%), Exxon (5%), the British-Norwegian alliance of British Petroleum (17%)/Statoil (8.5%), the Turkish TRAO (6.75%), the Russian LUKoil (10%) and the Saudi Delta (0.5%).

Aliyev Meeting With Oil Industry Employers Detailed

NC2209133995 Baku TURAN in English 1453 GMT 21 Sep 95

[FBIS Transcribed Text] Baku/21.09.95/TURAN—On the eve Geydar Aliyev met with the oil-gas industry employers. The meeting was due to the anniversary of the "contract of the century".

Making a speech Natig Aliyev, the State Oil Company [SOCAR] President said that the situation in the oil fields is critical. In particular he noted that there is observed a slump in the oil fields since 1990. If in 1985 Azerbaijan extracted 14 million tons of oil and 14 billion cubic metres of gas yearly, in 1994 these indications totalled 9,5 million tons oil and 6 billion cubic metres gas. For 1995 the volume of the extracted oil in Azerbaijan totals 9,1 million tons, he noted.

The slump indications in the field is due to the demurrage increase and the decrease of the explored wells. The well fund for the continued oil extraction must yearly be renewed by 10% in the stable level, however in Azerbaijan this data is below 1%. The Caspian oil-tanker fleet consists of 340 vessels the most part being in need to repair. For the repair of the shore fastening concerning the increase in Caspian level some 100 billion manats are required.

As Natig Aliyev noted the field is in hard financial conditions. So, on stable prices for oil, the prices on lubricating oil and additional materials are increasing. Accounts receivable occurred in SOCAR. The SOCAR President noted that the incomes from the diesel fuel sold abroad in 1995, could not cover all the taxes. "From here it appears that the field is working with losses", he noted.

Natig Aliyev noted that the State Committee on Fuel borrowed SOCAR 1, 4 trillion manats or 240 million dollars. That's why the oil field workers can not receive their salaries at time.

It was informed that yearly the average utilization of gas in the Republic is 1,52 cubic metres per person. "It is as 3-4 times much more than the world's average use, it means that the losses are so great in our republic", noted Natig Aliyev. He noted that for the account of foreign investments to Azerbaijan may be added yearly about 40 million tons and refine about 25 million tons of oil.

Mirmovsum Mahmudov, the chairman of the free trade unions of the oil industry said that the oil workers can not receive their salaries for months. "SOCAR is not able to give the oil workers' salaries. The debt of SOCAR to workers totals 52 billion manats for today", said Mahmudov. He offered a reform waging in the fields.

Making a final speech President Geydar Aliyev said that he understood the workers' difficulties, but for the sake of Azerbaijan's independence one must bear up with difficulties. At the same time Geydar Aliyev noted that there are some persons who take an advantage of the difficultness of the transition period for their purposes. At the result the economy is in crisis", noted President Aliyev. Geydar Aliyev blamed the officials in squandering and in possession of the state property.

"Since this year we shall no more purchase a gas from Turkmenistan. I think that a part of gas purchased from Turkmenistan does not reach the republic", said the Azeri President. According to President Aliyev the officials of Azerbaijan and Turkmenistan possess that mentioned part of gas.

The Azeri President blamed the gas complex leaders in selling of fuel to Armenia. I warn the "Azerigaz" President Tariyel Guseynov, that we have an information about the fuel sale to the western borders of the republic, to Armenia through Georgia", noted Geydar Aliyev. He also stated the fact that 90% of the industrial enterprises do not work, besides it some regions of the country are occupied, however the oil, gas, petrol and electroenergy expenses for the past years are according to the State Statistics Committee in the former level. " From here one comes to the conclusion that the leadership sells fuel and electroenergy", noted Geydar Aliyev.

He criticized the Cabinet of Ministers and Ministry of Economy activity. The Azeri President instructed Vahid Akhundov, the State Adviser on Economy, to prepare a decree on enterprises' debts payments till 15 October. Geydar Aliyev gave a week to preparation of the decree on the activity accounting of the oil-gas industry.

" The incomes obtained from the oil sell abroad is the main source of currency receipts into the republic. Natig Aliyev said that this means are spent for the internal needs. But I suspect that the currency means are distributed through the law violations. It needs its immediate examination", said Geydar Aliyev at the end of his speech.

The journalists and experts attracted the participators attention to the fact that in the meeting Rasul Guliyev, the Speaker of the Milli Mejlis was not present.

Aliyev Says Country To Rely On Own Gas

NC2309061195 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 22 Sep 95

[FBIS Translated Text] The first session of the headquarters set up to discuss preparations for the winter took place in Khatayi rayon with the participation of Baku city officials.

It transpired from the report submitted by Gulehmed Garibov, deputy chairman of the rayon executive administration, that the rayon was not fully prepared for the winter. For now only 385 of the 523 residential buildings are supplied with centralized heating. A total of 74 million manats have been spent for this purpose. Despite a shortage of raw materials and equipment needed for repairs, 1,000 square meters of glass have been affixed to the entrance doors of the buildings. Officials responsible for centralized heating, road repair, and canalization were strongly reprimanded for serious shortcomings in their work in preparation for the winter. And the views expressed by our head of state Heydar Aliyev on the occasion of the anniversary of the signing of the oil contract on 21 September were the most serious reprimand of all:

[Begin recording] [Aliyev] This year we will buy no gas from anywhere. We have to exist on our own gas. I repeat: Armenia has not been getting any gas from anywhere since 1990. It receives a paltry 1 billion, or 1.5 billion cubic meters of gas from Turkmenistan. How does it survive? Yet it is surviving and it even waged a war and occupied our lands. It had no oil or oil products, whereas we had supplied the republic with oil. Though they had no oil or fuel they came and occupied our lands. While we produce large amounts of oil and oil products, and yet we squander them.

Georgia also has neither oil nor gas. It just manages to get a little gas and oil products from Iran and Turkmenistan with difficulty. Yet, they manage to survive. Why should we purchase gas from Turkmenistan when we produce such a large amount of oil and gas? If we had the money, naturally we would buy it. But we do not. In view of this, why are some people trying to drag us into greater hardship? Therefore, the use of gas should be supervised. I instruct Tariel Guseynov, head of the gas company, and ask him to eliminate the shortcomings in the company's work. We must put an end to the negative situation. I ask the State Oil Company to specially guarantee gas production during the winter period so that we can live on our own gas. [end recording]

It is obvious that this winter will be a season of trial for the population of the republic and the capitol. The heads of the rayons, administrations, organizations, and enterprises are under obligation to supply the population with natural gas, power, and heating. Meeting the people's winter needs is one of the most important parts of their services.

Georgia

UN Head Urges Negotiated Settlement in Abkhazia

LD2409195395 Moscow ITAR-TASS in English 1920 GMT 24 Sep 95

[By Boris Sitnikov]

[FBIS Transcribed Text] UNITED NATIONS, September 24 (Itar- Tass) — U.N. Secretary General Butuos Butrus-Ghali called on Georgia and Abkhazia to refrain from settling their conflict by military means and resolve the problem of refugees at the negotiating table.

In his meeting with Georgian Foreign Minister Alexander Chikvaidze in New York on Sunday, the U.N. chief expressed concern about the recent escalation of tension in the Gali area and urged the sides to continue to show maximum restraint. He also called on the Abkhazian leadership to put specific proposals on the negotiating table and asked refugees to return to their homes.

Chikvaidze informed Butrus-Ghali about the current situation in the region and regretted the lack of progress in the resolution of the problem of refugees and displaced persons, as well as the uncompromising position of the Abkhazian leadership.

He noted that the situation remains unchanged for almost two years despite active efforts by the U.N.

Secretary General's special envoy to the region Edward Brunner and Russia.

The minister stressed that in response to the U.N. Security Council's calls for a political resolution of the Abkhazian conflict within the context of the territorial integrity of the republic, the Georgian government led by Eduard Shevardnadze has been seeking to establish a federation capable of ensuring and protecting the rights of the Abkhazian people.

Abkhazia Sees More Russian Involvement in Dispute

MK2209122695 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 19 Sep 95 p 1

[Commentary by Yuliya Kalinina: "Let There Be More Wars, Good Ones and of All Sorts. Has a New Bugle Called the Generals?"]

[FBIS Translated Text] The Abkhazian Government's statement on a military operation being prepared to "restore Georgia's territorial integrity" could not be either confirmed or denied at the Navy's press center, the Black Sea press service, or the Russian Federation Foreign Ministry. No one knows whether Russian naval ships have really been handed over to Georgia to land Georgia's army in Abkhazia or whether the whole thing is complete gibberish and empty rumor.

Such a reaction by the press services per se is already symptomatic, because they usually are not very shy in describing as "complete gibberish" reports that have not a leg to stand on.

MOSKOVSKIY KOMSOMOLETS has learned from unofficial sources that there is indeed a redeployment of part of the Black Sea Fleet's ships under way, but it is unclear what mission is being assigned to them — whether they are supposed to withdraw Russian peacekeepers from the Georgia-Abkhazia standoff zone or, on the contrary, bring in new ones.

The whole thing looks very much as if the combined arms operation in Chechnya has been reckoned a successful experiment in restoring territorial integrity not only by the Russian command, but also by the Georgian authorities, and they will be restoring Abkhazia to Georgia by force rather than through persuasion and talks.

What does this move threaten Russia with? In all likelihood, with participation in yet another military conflict, since the Georgia-Abkhazia war experience gave the Georgian side no grounds to hope for success without having first obtained a promise of support from Russia. It is unknown what sort of participation this will be — help with weapons, hired military specialists, or combat units. One thing is clear: A Georgian army military operation is to be necessarily preceded by a political decision made jointly by the Russian and Georgian "top men."

What do we need this for? Russia has to deploy military bases in Georgia. While an agreement in principle was reached by the sides in the spring, Shevardnadze has made its practical implementation directly dependent on when 300,000 refugees return to Abkhazia. The refugees cannot return until Abkhazia's status is defined. It is this issue that we are going to settle. The sides have spent more than a year struggling unsuccessfully with Abkhazia's status at the negotiating table — now it must be time for forcible actions.

Why precisely now? Geopolitically this can be explained by the fact that the Caspian Sea international oil consortium is expected to announce on 8 October its decision on the route of a pipeline that will carry Baku's oil to the West. One of the most likely routes is via Georgia. For Russia (which is also participating in the project through "LUKoil") this is quite acceptable — in the event, of course, that the Russian presence in Georgia has a secure foothold. Military bases are known to be the best "foothold."

Intensive contacts between Russian and Georgian military officials and other plenipotentiaries took place in both the spring and summer, but it was perhaps Chechnya that stood in the way of making decisive moves. The winding up of the war and the troop withdrawal enables the Russian military command to focus its efforts on a different area of our external-internal policy.

Thus, the Abkhazian Government's statement is not as groundless as it may seem at first glance.

Abkhazia Wants Copies of Agreements From Chernomyrdin Visit

LD2209181295 Moscow INTERFAX in English 1514 GMT 22 Sep 95

[FBIS Transcribed Text] SUKHUMI, Sept 22 (Interfax) - Russia is expected to pass over copies of documents signed during the Tbilisi visit of Russian Prime Minister Viktor Chernomyrdin on September 15 to Abkhazia Friday, a well-informed source in the Abkhazian Foreign Ministry told Interfax.

Abkhazia demanded the copies for fear Moscow and Tbilisi had allegedly agreed on joint measures to restore territorial integrity of Georgia.

Abkhazian Foreign Minister and head of the Abkhazian delegation to Georgian-Abkhazian talks Leonid Lakerbaya does not exclude the possibility that Sukhumi will study the copies and change its proposals for the next round of the talks.

Lakerbaya told Interfax Friday the major problem facing the talks is the attempt to revise some documents, including the communique of January 1994 which voiced the need to form an international commission for assistance to Abkhazian economic reconstruction no later than February 1994.

According to him, the economic assistance to Abkhazia was later made conditional on the return of Georgian refugees.

The protocol suggested by Russia on July 24 and discussed at the latest round of negotiations fully violates the agreement of April 4, 1994, which "actually recognized Abkhazia as a state and outlined spheres of common activities of Abkhazia and Georgia," said Lakerbaya.

Shevardnadze Supports Expansion of U.S. Relations

LD2209171095 Tbilisi First Program Television Network in Georgian 1500 GMT 22 Sep 95

[FBIS Translated Excerpt] Eduard Shevardnadze, chairman of the Georgian parliament and head of state, met U.S. Ambassador William Courtney. A ceremony of submitting the ambassador's credentials was held. In his address, Mr. Courtney said it is a pleasure for him to work in Georgia. In his words: Americans appreciate the success Georgia has already achieved, namely, the adoption of a new constitution and implementation of macroeconomic reforms. America is happy to cooperate with Georgia in solving new problems, namely, development of the economy based on private ownership. America supports Georgia's territorial integrity and independence. The ambassador said that the whole world welcomes the political course set by the Georgian head of state with regard to a peaceful settlement of problems facing ethnic minorities.

Eduard Shevardnadze briefed the ambassador on the current situation in Georgia. He said that Georgia is at a significant and complex stage of its development. He also said:

[Begin Shevardnadze recording] You have already said that adoption of the Constitution as well as the readiness our people have demonstrated recently in defending this Constitution has marked a decisive moment in our life. The contribution made by your country and our great friend, the United States of America and its administration, has played a great role in establishing our firm stand and hopes for the future. Many generations of our people will remember the political, moral, financial, and material support rendered by the United States since the first days of our freedom and declaration of independence. [end recording]

After traditional photos and champagne stipulated by etiquette, a private meeting was held. According to the press service of the Georgian head of state, prospects for U.S.-Georgian relations in the sphere of entrepreneurship were discussed at the meeting along with other important issues. Joint U.S.-Georgian enterprises will be set up in future and this will further expand relations between the two countries. Eduard Shevardnadze expressed confidence that relations between our countries will further develop and expand.

After the meeting, the U.S. ambassador spoke about his future activities. [passage omitted]

Shevardnadze Pledges To Name Coup Plotters

LD2409130195 Moscow Radio Rossii Network in Russian 1200 GMT 24 Sep 95

[FBIS Translated Text] The Georgian leader Eduard Shevardnadze believes that the terrorists who carried out a number of acts of terrorism recently, including the assassination attempt on the head of state on 29 August, have been exposed. As our correspondent reports, he said this today at an extended conference of the Georgian Cabinet of Ministers. According to Shevardnadze, the ultimate object of the terrorism was a coup d'etat in the republic. The head of the Georgian state promised to name the guilty persons within a week.

TASS Reports Shevardnadze's Weekly Interview

LD2509103695 Moscow ITAR-TASS World Service in Russian 0945 GMT 25 Sep 95

[By ITAR-TASS correspondent Tengiz Patchoria]

[FBIS Translated Text] Tbilisi, 25 Sep (ITAR-TASS) — Georgian leader Eduard Shevardnadze announced that the investigation into the 29 August terrorist action is entering its final stage. In an interview with the national radio in a live broadcast today, he said that the first conclusion can already be reached: This was a well-organized operation which involved "representatives of the highest echelons of power."

According to Shevardnadze, it is still to be explained who was behind the people preparing acts of terrorism in Georgia. At the same time he noted the benevolent work and the professionalism of the Ministry for Internal Affairs personnel and those of the Georgian procuracy, including the heads of these departments, involved in investigating the acts of terrorism. The Georgian leader assured the people of the republic, and particularly representatives of the business world, that law and order in the republic will be strengthened with every passing day, and he promised to put an end to the raging wave of crime, chaos, and lawlessness. "We will free Georgia from the mafia elements, the racketeers, and the terrorists," he said.

Commenting on the problem of Abkhazia, Eduard Shevardnadze said Georgia, together with the Russian leadership, is now looking for ways to settle the conflict in this republic. He said the near future will answer a number of relevant questions. The Georgian leader welcomed the stand of UN Secretary-General Butrus Butrus-Ghali and the UN resolutions on settling the Abkhazian conflict. At the same time he said the UN resolutions on this problem have failed to produce any tangible results. Shevardnadze welcomed the decision of the Georgian parliament last week to postpone for the time being further discussion of the Abkhazian problem.

National Bank Chief on Introduction of New Currency

LD2209220595 Moscow INTERFAX in English 2050 GMT 22 Sep 95

[FBIS Transcribed Text] TBILISI, Sept 22 (FIA-Interfax) — Georgia will introduce new national currency, the lari, on September 25, 1995, National Bank of Georgia (NBG) head Nodar Dzhavakhishvili told Financial Information Agency.

He said that "the lari will become convertible by the end of 1998 if the government continues its strict monetary and credit policy and intensifies economic reforms in the country." The NBG hard currency reserves of over $60 million are a guarantee against possible devaluation of the lari, he said.

Dzhavakhishvili said that Russian rubles which are now widely used in Georgia will begin fleeing the country on September 25 because the lari will be the sole legal tender in Georgia.

However, Georgian banks will not suffer from the loss of rubles, said Dzhavakhishvili. He said that Russia and Georgia agreed on September 15 that the rubles will be transferred to the Russian Central Bank and Georgian banks will have the possibility to open correspondent accounts in any Russian bank for the sum they transferred to the Central Bank. NBG experts are now finishing the work on the document regulating the order of depositing the ruble cash.

As FIA has already reported, new one, two, five, 10, 20, 50, 100 and 500 lari banknotes as well as one, two, five, 10, 20 and 50 tetri coins have already been delivered to Georgia. The coupons which are currently in use will be exchanged at the rate of 1,000,000 coupons for one lari.

Estonia

NATO Commander Says Cooperation With Russia Needed

LD2309172295 Moscow INTERFAX in English 1539 GMT 23 Sep 95

[FBIS Transcribed Text] TALLINN, Sept 23 (Interfax) - General George A. Joulwan, commander of NATO forces in Europe, believes that Russia and NATO "must develop military cooperation." He spoke at a briefing in Tallinn Saturday on the results of his two-day visit to Estonia.

Joulwan said Russia's participation in the Partnership for Peace program must be "extended to the military sphere as well," which would "help establish a more solid climate of mutual trust."

"I do not think that any NATO member state wants to isolate Russia. On the contrary, we want to avoid it by all means," said Joulwan.

As to Estonia's chances of joining NATO, he said that the Baltic country "expressed its desire to develop active cooperation within the Partnership for Peace program." Joulwan gave a high assessment of the Estonian Defense Forces' operational readiness.

Speaking about the situation in Bosnia, he said that NATO will resume air strikes if Serbs continue shelling or attacking settlements.

More on Cooperation With Russia

LD2509101395 Moscow Radio Rossii Network in Russian 0800 GMT 25 Sep 95

[FBIS Translated Text] General George Joulwan, NATO's supreme allied commander for Europe, who arrived in Estonia for a two-day visit on 22 September, has told journalists that NATO is hoping to cooperate with Russia. He said that nobody in NATO would like to distance or isolate Russia. On the contrary, the commander said that Russia and NATO should be working together since this would have laid the basis for trust within Europe. Joulwan said that NATO for its part had already been doing this. The general gave it to understand that now it was up to Russia as one of the 26 countries that had signed the Partnership for Peace program.

NATO Commander Meets With Meri

LD2409184395 Tallinn Estonian Television Network in Russian 1545 GMT 23 Sep 95

[FBIS Translated Excerpt] General George Joulwan, supreme allied commander Europe, discussed Estonia's participation in the Partnership for Peace program with the leaders of the general staff of the Defense Forces during his two-day visit to Estonia. They also discussed the development of the Estonian Defense Forces, their future plans, and possible assistance from NATO to implement these plans.

Gen. Joulwan visited the independent infantry battalion at Kalevi and the town of Paldiski, where he studied the training center of the Defense Forces. He said that the visit to Estonia gave him the opportunity to hear and learn about the defense of the Estonian state. He also praised the soldiers of the Estonian peacekeeping group. [passage omitted]

At midday, he was received by President Lennart Meri. At a news conference today, Gen. Joulwan said that the possibility of Estonia joining NATO was not discussed during the visit.

Commander Pleased With Estonian Peacekeepers

LD2309100895 Tallinn Radio Tallinn Network in Estonian 1700 GMT 22 Sep 95

[FBIS Translated Excerpt] Gen George Joulwan, supreme commander of NATO troops in Europe, is currently visiting Estonia. Hillar Nahkmann reports:

[Nahkmann] According to Gen George Joulwan, he came to Estonia primarily to meet with our top military men and politicians During his visit Gen Joulwan hopes to identify what it is the Estonians want from the Partnership for Peace program and how cooperation with NATO should proceed in the present circumstances. [passage omitted]

At the same time the general gave to understand that what is most important for him in Estonia is to see and hear how Estonian soldiers live and train. And so, today the general visited the Kalev independent infantry battalion and met with officers and soldiers there. At a small-scale news conference arranged on the spot he said that the information he was given about the Estonian army prior to his visit was very positive. The general was particularly satisfied with our soldiers' activity in Croatia, within the Danish peacekeeping battalion. [passage omitted]

Delegation Signs Defense Pact With Turkey

LD2409203795 Tallinn Estonian Television Network in Estonian 1900 GMT 24 Sep 95

[FBIS Translated Text] An Estonian Defense Ministry delegation returned from Turkey where Defense Minister Andrus Oovel signed a Turkish-Estonian framework agreement on defense cooperation. Following Denmark, Germany, Britain, and Norway, Turkey is the fifth NATO member with which Estonia has concluded such an agreement. Oovel said that Turkey supported Estonia's effort to join NATO and the European Union. In addition to exchange of information, Oovel hopes that Turkey will be interested in producing military equipment in Estonia.

[Begin Oovel recording] Turkey produces nearly 60 percent of its military equipment itself; and even 100 percent of some types of arms. Hence our interest, because we hope to learn from the experience the Turks have gained from dealing with various arms manufacturers in the world. The aim is to use their experience so that a large arms supplier and manufacturer, which should be well-known in the world, becomes interested in setting up production in Estonia.

Turkey is one of the most powerful states on the southern front of NATO. And, of course, it is the parliaments of all the NATO members who decide whether Estonia becomes a NATO member or not. The Turkish side, both at meetings in the General Staff, and in the Ministry of Defense, said it supported Estonia becoming a member of both the European Union and NATO. [end recording]

Further on Agreement With Turkey

LD2209135295 Tallinn Radio Tallinn Network in Estonian 1300 GMT 22 Sep 95

[FBIS Translated Excerpt] Turkey and Estonia signed a military cooperation agreement today. It envisions joint activity in training servicemen and in the research and development of military technology. The agreement was signed in Ankara by Estonian Defense Minister Andrus Oovel and by General Hakki Karadayi, chief of the General Staff of the Turkish Armed Forces.

According to the Turkish general, this agreement is not directed against any third country; its aim is to further cooperation between Turkey and a Baltic country. [passage omitted]

Finnish Minister Signs Agreement on Immigrants

LD2209144995 Tallinn Radio Tallinn Network in Estonian 1400 GMT 22 Sep 95

[FBIS Translated Excerpt] Jan-Erik Enestam, the Finnish minister of internal affairs, has arrived in Estonia for a visit. After his meeting with Internal Affairs Minister Edgar Savisaar an important agreement was signed. More details now from Anne Osvet's report.

[Osvet] In the White Hall of Toompea Palace this afternoon, the ministers of internal affairs signed the agreement between the two countries' governments on the return of individuals who have arrived and stay in either country illegally. Let me also add that the agreement will come into force in 30 days' time from signing.

First, I asked Jan-Erik Enestam to comment on the agreement.

[Enestam in Finnish fading to correspondent's report] This is one of those international agreements that Finland has made compulsory for Estonia in order to introduce a visa-free arrangement between the two countries. The agreement signed today is in essence an agreement to curb crime. [passage omitted]

[Osvet] I asked Jan-Erik Enestam also as to what other obstacles there may be on the way toward visa-free travel.

[Enestam] The two [as heard] abovementioned agreements do away with the main obstacles. Only technical issues are left. Now that the agreement has been signed, relevant commissions will be dealing with the matter further and they will be the ones to come to an agreement about technical details.

Lithuania

Conservative Party Denies Preparation for 'Coup'

WS2109145095 Tallinn BNS in English 1048 GMT 21 Sep 95

[FBIS Transcribed Text] Vilnius, September 21, BNS — The Lithuanian conservatives categorically denied charges that they were preparing a coup d'etat, calling these rumours "a provocation."

"Conservatives respect the Lithuanian Republic's constitution and are convinced that on the democratic foundation of our state and its laws it will be possible to overcome the corruption in which our country is entangled and by means of the parliamentary elections stop the damage which the Democratic Labor Party is causing to our country," stated an announcement circulated Wednesday by the political council and board of the conservative party.

The document was publicized in response to the warnings of Vytautas Juskus, a member of the parliamentary faction of the ruling Democratic Labor Party, that, according to his information, the conservatives were preparing a "coup d'etat" on October 19. Juskus told the newspaper Respublika that the conservatives intended to resort to "completely unconstitutional means," but did not specify.

Juskus also refused to name the organizers of the "coup," but stated that the charges of corruption, directed at the government by MP Romualdas Ozolas, and the appeals to the administration to resign "were meant to prepare the nation to urge clemency for the organizers, if the coup fails."

Jurgis Jurgelis, head of the State Security Department, said his institution has absolutely no evidence of any preparations for a "coup."

Until autumn of 1992, when the LDLP was in the opposition, similar accusations by the ruling right-wing administration were quite frequent.

Premier Says No Information on 'Coup'

LD2109215795 Moscow INTERFAX in English 1931 GMT 21 Sep 95

[FBIS Transcribed Text] VILNIUS, Sept 21 (Interfax) — Lithuanian Prime Minister Adolfas Slezevicius told a press conference today that he did not have any information proving that an anti-constitutional coup was being prepared in the country.

Slezevicius thus commented on Lithuanian media reports alleging that a state coup was planned to take place in Lithuania on October 19. The media alleged that the state coup would be commanded by leader of the right-wing opposition, parliamentarian Vytautas Landsbergis and the Union of Fatherland party. Slezevicius said he believed that "forces which might dare launch such a move are unlikely to appear in Lithuania."

Slezevicius said "there is no reason for anti-constitutional actions in Lithuania." He said the people would never back such actions.

"If something like that occurred in our country it would definitely deal a severe blow to Lithuania's international prestige. We would have to wave good-bye to prospects for integration with European structures and democratic development," Slezevicius said.

Officials Welcome NATO Report on Eastward Expansion

LD2309161295 Vilnius Radio Vilnius Network in Lithuanian 2200 GMT 21 Sep 95

[FBIS Translated Text] Lithuania has every reason to hope that its expectations have been reflected in the report on NATO's plans for eastward expansion which has been confirmed in Brussels this week, Albinas Januska, secretary of the Lithuanian Foreign Ministry, has said.

Lithuania will give its official reaction to the document after the complete text of the document has been received. The text is to be distributed on 28 September to all the countries aspiring for NATO membership.

Meanwhile Albinas Januska, who is responsible for coordination of Lithuania's efforts to integrate into NATO , said in an interview to the Baltic News Service that the report does not contain any deliberate discrimination against the countries of Central Europe and that all the countries which signed the agreement on association with the European Union would be given the possibility to contribute to strengthening of Transatlantic cooperation.

National Defense Minister Linas Linkevicius, describing the report on the development of the alliance, said that NATO's consistent adherence to the principles of open cooperation should be welcomed. According to the minister, Lithuania on its own cannot ensure its security and, therefore, must look for international partners. Apart from Russia, there is no other alternative to NATO, Linas Linkevicius said.

Lithuania has invited NATO representatives to come to Vilnius for exhaustive consultations on the possibilities of membership.

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